

## **Minutes of the 60<sup>th</sup> SLBC Meeting, Sikkim held on 19<sup>th</sup> March 2019 At The Conference Hall of Tashiling, Secretariat, Gangtok**

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The 60<sup>th</sup> Meeting of State Level Bankers' Committee (SLBC) for the State of Sikkim was held at The Conference Hall of Tashiling, Secretariat, Gangtok on 19<sup>th</sup> March 2019.

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

**Shri Thomas Chandy**, IFS, Principal Secretary, Commerce and Industries Dept, Govt. of Sikkim, **Shri C S Rao**, IFS, Principal Secretary, Rural Management and Development Department, Govt. of Sikkim, **Dr. P Senthil Kumar**, IAS, Commissioner, Rural Management and Development Department, Govt. of Sikkim, **Shri Naresh Yadav**, GM, State Bank of India, LHO, Kolkata, **Shri Olden Nongpluh**, GM, RBI, Gangtok, **Smt R Tshering**, GM, NABARD Gangtok & **Shri Satish Rao**, DGM, State Bank of India, Zonal Office, Siliguri, were the other dignitaries on the dais. **Shri Surender Singh**, Deputy Secretary, Department of Financial Services, Govt of India was also present in the meeting.

State Bank of Sikkim and India Post Payment Bank were the special invitees in the meeting, represented by **Shri. P Wangdi Bhutia**, Chief General Manager State Bank of Sikkim and **Shri Mridul Das**, Senior Manager, India Post Payment Banks, respectively.

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

Shri Aftab Ahmad Mallick, Regional Manager, State Bank of India and SLBC Convenor, welcomed the dignitaries on the dais as well as all the stakeholders present in the meeting. He also introduced and welcomed to the house, Shri P Wangdi Bhutia, Chief General Manager, State Bank of Sikkim as a special guest.

The Chairperson before the start of the session appreciated the efforts of the Bank in playing a very important role on the development of the state of Sikkim. He also informed the house about the network of bank branches and ATMs in the State of Sikkim and also urged the Banks to open up more ATMs and Branches in the rural areas. He also appraised the house that Banking had evolved manifolds due to the advent of technology and thing like Direct Benefit Transfer had played a major role in curbing corruption in the country. He also highlighted on the various social security schemes introduced by the Government of India and urged the bankers to ensure that all the populace were being covered under these schemes. He also suggested the Bankers to discontinue the usage of bank hoardings in Bengali and rather print them in Nepali or English. So that it is easy for the local people to understand. He informed the house about the enforcement of Model Code of Conduct due to the upcoming elections in the State. He asked the Bankers to co-operate and follow the roles and responsibilities of the Banks during the elections.

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 58<sup>th</sup> meeting of SLBC held on 29<sup>th</sup> of October 2018 at Hotel Summit, Gangtok**

~ The House confirmed the proceedings of the 58<sup>th</sup> SLBC Meeting.

### **Agenda No.2**

#### **Follow-up of the Action Points that emerged from the 58<sup>th</sup> SLBC Meeting held on 29<sup>th</sup> of October 2018 at Hotel Summit, Gangtok**

##### **1. SBI to expedite the process of opening a brick & mortar branch at Soreng, West Sikkim.**

~ Regional Manager, SBI, Shri A A Mallick assured the house that a Branch will be opened in Gangtok within the next Quarter or before June 2019.

##### **2. Banks to set up more ATMs in North and West Districts**

~ The representative from Axis bank said that a new Branch with an ATM has already been established at Lachen and is likely to be operational by April 2019.

##### **3. RBI to initiate the proposal of opening of a chest by CBI at Gyalshing.**

The GM , RBI, Shri O Nongpluh informed the house that they have already written to the appropriate authority and are following up constantly with the Department of Currency Management, RBI, Mumbai. Shri Surender Kumar, DFS, GOI, also assured that he will follow up with the concerned department.

##### **4. RBI to initiate necessary steps to set up an Issue Department in Gangtok for better management and transmission of Currency in Sikkim.**

The GM , RBI, Shri O Nongpluh informed the house that they have already written to the appropriate authority and are following up constantly with the Department of Currency Management, RBI, Mumbai. Shri Surender Kumar, DFS, GOI, also assured that he will follow up with the concerned department.

### **Agenda No.3**

#### **Credit: Deposit Ratio / Credit + Investment: Deposit Ratio as on 31.12.2019**

The overall CD ratio of the State with credit from outside Sikkim was 81.8% and the CD ratio excluding credit from outside Sikkim was 42.1% which was just up to the stipulated benchmark of 40% The House expressed dissatisfaction over low financing by Private sector Banks resulting in low CD ratio of the State. Banks having CD Ratio below 20% were asked to explain about their performances to this the representative from the concerned banks assured the house that definitely there will be an improvement in the next quarter. The Chairperson urged the poor

performing Banks to expedite their lendings in the state for overall growth in the CD ratio in the upcoming quarters and also reminded the Banks that all the banks were equally responsible for the development of the State. The Chief Manager, State Bank of Sikkim, Shri P Wangdi Bhutia expressed his gratitude on having been invited to the SLBC Meeting and informed the house that State Bank of Sikkim has been lending in all the sectors in the State of Sikkim for the past 51 years. It was also observed that the CD Ratio of SBS stood at 69.6 %, which was very much appreciable.

#### **Agenda No. 4**

#### **Review of Performance under Annual Credit Plan 2018-19 including NPS for the quarter ended 31<sup>st</sup> December 2018**

During the third quarter of FY 2018-19, the overall achievement of Banks under Annual Credit Plan was 120.4% which was including Non-priority sector. The achievement by Banks under priority sector was 54.3.%.

Banks had achieved 15.9% under Agriculture sector, 106.1% under MSME sector and 58.5 % under other priority sector. The performance of Banks, whose achievement was low 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 next Quarter. The confusion regarding priority sector lending by Bandhan Bank and North East Small Financial Banks was much deliberated upon. It was observed that Bandhan Bank was providing credit to Joint Liability Group at the rate of 17.6% with recovery of almost 99.95%. The Commissioner, RMDD, Dr. P Senthil Kumar, informed the house that as per Government of India circular, the interest rates on Priority Sector Lendings could not go above 12%. The Chairperson of the Committee asked the Reserve Bank of India to look into it. It was also observed that the Self Help Groups and Joint Liability Groups that were being funded by Bandhan Bank and North East Small Finance Banks were completely different from those SHGs and JLGs that were registered with Rural Management Development Department. Representative from Bandhan Bank clarified that the Common Liability Groups were formed by the Bank themselves just for the purpose of lending. Shri D T Bhutia, State Co-ordinator , NERLP also highlighted the fact that they have approached only Public Sector Banks and SISCO Banks for credit linkage in the State of Sikkim. The Convenor, SLBC, Shri Mallick assured the house that they would be having a meeting with all the stakeholders involved, regarding the lendings by Bandhan Bank and North East Financial Bank. However, the house appreciated the banking

method implied by Bandhan bank in the State, and lauded their efforts in bringing development in the rural areas of the state.

Dr. P Senthil Kumar, Commissioner, RMDD, suggested that banks should give focus to lendings in the rural areas also. He also urged the Private Banks to take equally active part in Priority Sector lending. He said that the Banking scenario is different from the past and that bankers should not expect customers to come to bank, instead they should be coming out more especially to the rural areas.

It was observed that overall achievement under MSME Sector as on 31.12.2019 was 106.1%. Shri Thomas Chandy lauded the efforts of the Bankers on this achievement. The Convenor, SLBC, Shri Mallick also thanked the Commerce and Industries Department, headed by Shri Thomas Chandy for their co-operation for the achievement.

Achievement under Non- Priority Sector was 322.2% as on 31.12.2019 which was viewed as extremely satisfactory. It was also suggested by the house that this year's achievement should be taken into consideration while allocating the targets for the next financial year.

## **Agenda No.5**

### **Review of Special Programmes as on 30.06.2018**

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

Shri Mallick informed the house that during the last one month, three review meetings had taken place between the bankers and the concerned agencies/Department. It was decided on that meeting that all the pending proposals would be processed by the 31<sup>st</sup> of March 2019. The Chairperson of the House also asked for the participation of the private Banks in the State. Shri Chandy, replied saying that process for allowing Private banks to lend under PMEGP was that the State Level Monitoring Committee for PMEGP had to pass it and forward it to SLBC for consent, thereafter a letter would be sent to KVIC, Govt of India.

#### **5.2. Deendayal Antyodaya Yojana–National Urban Livelihood Mission (DAY-NULM)**

It was noted that 74 proposals had been forwarded to the Banks by the concerned department. The Regional Manager, SBI, informed the House that the proposals with SBI shall be reviewed for consideration.

### **5.3. Pradhan Mantri Mudra Yojana – PMMY**

The achievement under PMMY was viewed as satisfactory by the house.

### **5.4 Stand – Up India**

The Convenor, SLBC, Shri Mallick informed the house that achievement under Stand Up India has been positive among the Public Sector Banks.

### **5.5. Chief Minister's Start-Up Scheme (CMSS)**

The Principal Secretary, Commerce and Industries Dept, informed the House about CMSS Scheme. He also thanked the Bankers for remarkable improvement in the number of loans sanctioned since the last quarter. He mentioned that a total of 993 loans have been sanctioned by the Branches till the end of December 2018 as against the 73 that were sanctioned till August 2018. He also informed the house contrary to rumors there will be no hold or termination of the scheme and the scheme will continue as usual. He however said that due to the exhaustion of funds in CMSS, approval for additional funds has already been sent to the Government and it is likely to be approved in the coming days. The Convenor, SLBC Shri Aftab Ahmad Mallick suggested that till the receipt of funds, such a mechanism can be put in place whereby the borrower himself can pay the margin money and when the fund is received, the Department concerned can directly reimburse the amount of margin money to the borrower. Shri Thomas Chandy assured that this can be taken up after further deliberations. The Chief Secretary also urged for participation of private banks in CMSS and other Govt sponsored schemes. The Convenor, SLBC Shri Aftab Ahmad Mallick replied that the State Government should give permission to the private Banks to carry out government sponsored schemes as it had done in the past by allowing State Bank of Sikkim and SISCO Bank .He also informed that due to the constant efforts of the Bankers and The Commerce and industries Department the number of grievances of loanees had been considerably reduced.

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

LDM informed the house that 139 loans had been disbursed in the quarter amounting to Rs.2,29,37,000/-. The Chairperson appreciated the stakeholders for the achievement and also said that there is a lot of scope in Dairy Activities in the State. It was also observed that Sikkim was at the top achiever in this sector in the entire North East Region.

### **Agenda No.6**

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

The Commissioner, RMDD informed the house that they would soon be identifying a Bank Sakhi for each bank branch in the State, and as per directions of Ministry of Rural Development, banks should provide a space for a Bank Sakhi. He requested banks to also designate the Bank Sakhi as a Banking Correspondent so that a single person could carry out the work benefitting both the local people as well as the bankers.

The Chairperson appreciated the initiatives taken by NERLP and SLRM in promoting the SHGs. He also mentioned that the recovery was good in the loans given to SHGs.

### **Agenda No.7**

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

At the end of the third quarter, 2929 nos. of KCCs had been issued by the Banks. The GM, NABARD, Ms R Tshering informed the house that as a follow up of the 2018-19 Budget, KCC cards could now be issued to Animal Husbandry and Fisheries schemes also. She said that the Scale of Finance to this effect would be soon issued. She also mentioned the fact that as per circular of Department of Financial Services, KCC saturation has to be achieved, hence during the Financial Literacy Camps more focus should be given on KCC and repayment of the credit by the farmers.

### **Agenda No.8**

#### **Housing Finance**

During the third quarter, the percentage of achievement in housing finance was 46.9% which was viewed as very satisfactory. The CGM, State Bank of Sikkim informed the house that it was being difficult for the loanees under Housing Finance to obtain Blueprints of the house in Rural Areas due to the lack of technical officers

in the GPUs. The Secretary RMDD, Shri CS Rao replied saying that from the next financial year onwards an officer of the rank of Assistant Engineer would be provided at every GPU of the State, so that this kind of problem can be dealt with.

**Agenda No.9**  
**Education Loan**

The overall achievement under the scheme was 44.2% during the third quarter. It was observed that since the State Government itself is doing tremendous work under Education Loan and Assistance, there was very little scope for Bankers to improve under this scheme.

**Agenda No.10**  
**Performance under MSME**

This item was already discussed in AGENDA 4 – Part B

**Agenda No. 11**  
**Financial Inclusion: Provision of Banking Services in every villages having population below 2000**

It was informed by the Convenor that with India Post Payment Bank launching its operation in every post office in the State would also work as a Bank. This will ensure that more and more villages are connected with the Banking Operations. The representative from India Post payment Bank also highlighted the fact that all the 220 branches in the State would start their operations as payments bank by the end of 31<sup>st</sup> March 2019.

**Agenda No.12**  
**SBI Rural Employment Training Institute (RSETI)**

The LDM, Shri Gopal Lama informed the house that RSETI is functioning with a non-commercial and social objective for skill development of the unemployed youth of Sikkim to take up profitable self –employment ventures. Hence trainings, including Hostel facilities to the trainees were being provided free of cost. However, the new RSETI building was near completion now and the water connection for the building had become a big hindrance as the amount quoted by the East District Zilla Panchayat was Rs 60 lakhs. He requested the Secretary , RMDD for his assistance in this regard. The Secretary RMDD, Shri Rao assured to look into this at the earliest.

## **Agenda No. 13**

### **Miscellaneous**

#### **1. Pradhan Mantri Awas Yojana (PMAY)**

The Assistant Town Planner, UD&HD, Govt of Sikkim, Ms Oshin R Gurung informed the house that 1075 proposal had been forwarded to the Banks since 2017, out of which only 8 had been sanctioned so far. The Convenor, SLBC, Shri Mallick assured that they would follow up on this and ensure that all the proposals were being processed at the earliest.

#### **2. Financial Literacy – cum – Awareness Campaigns**

Already discussed in the SLBC Steering Committee Meeting held on 15/03/2019

#### **3. Credit to Minority Communities**

Already discussed in the SLBC Steering Committee Meeting held on 15/03/2019

The GM, State Bank of India, Shri Naresh Yadav, in his concluding speech said that focus should be given by all the bankers in covering all the GPUs in the State of Sikkim. He said other line departments should also ensure that there are no connectivity issues in the GPUs. He warned the bankers against any misclassification of products and services, he reminded the bankers that any and everything should be done only in accordance with RBI Guidelines. Lastly he mentioned that only the senior functionaries of the Bank and Government Department should be present in future SLBC Meeting alongwith the Local Branch Heads.

The meeting concluded with the vote of thanks by Shri Aftab Ahmad Mallick, Convenor, SLBC.



**ACTION POINT THAT EMERGED FROM 60<sup>th</sup> SLBC MEETING HELD ON 19.03.2019**

1. SBI to expedite the process to open a brick & mortar branch at Soreng, West District
2. Banks to set up more ATMs in North and West Districts
3. RBI to initiate the proposal for opening of a Chest by Central Bank of India in Gyalshing
4. RBI to initiate necessary steps to set up an Issue Department in Gangtok for better management and transmission of currency in Sikkim
5. Proposals under PMEGP to be forwarded to private banks also.

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**LIST OF PARTICIPANTS :: 60<sup>th</sup> SLBC MEETING :: 19.03.2019 :: SIKKIM**

<b>SR.</b>	<b>NAME OF THE OFFICIAL</b>	<b>DESIGNATION / DEPARTMENT</b>
1.	Shri A.K. Srivastava, IAS	Chief Secretary, Govt. of Sikkim
2.	Shri C S Rao, IFS	Principal Secretary, RMDD, Govt of Sikkim
3.	Shri Thomas Chandy, IFS	Principal Secretary, Commerce & Industries Dept.
4.	Shri P Senthil Kumar	Commissioner, RMDD, Govt. of Sikkim
5.	Shri Naresh Yadav	GM, State Bank of India, LHO, Kolkata
6.	Shri O Nongpuh	GM, RBI, Gangtok
7.	Smt R Tshering	GM, NABARD, Gangtok
8.	Shri Surender Singh	Deputy Secretary, Dept of Financial Services, Govt of India
9.	Shri Satish Rao	DGM, State Bank of India, ZO, Siliguri
10.	Shri Aftab Ahmad Mallick	Regional Manager, SBI, RO, Gangtok (SLBC Convener)
11.	Shri Gopal Lama	Lead District Manager, Gangtok
12.	Shri I.Y.T. Namchu	AGM, RBI Gangtok
13.	Shri T.D. Bhutia	Dy LDM, Gangtok
14.	Shri P Wangdi Bhutia	Chief General Manager, State Bank of Sikkim
15.	Ms Deepika Chettri	Asst General Manager, State Bank of Sikkim
16.	Shri K D Bhattacharya	Director (I/C), MSME-DI, Govt of India, Gangtok
17.	Shri B N Roy	Asst Director, KVIC, SO, Gangtok
18.	Shri K S Bhutia	GM, DIC(E/N), Commerce and Industries Dept
19.	Shri D R Sharma	Asst Director, MSME-DI, Govt of India, Gangtok
20.	Shri Tenzin Gelay	Dy CEO, SRLM, RMDD
21.	Shri Sailesh Lepcha	DPM – FI, SRLM, RMDD
22.	Shri D T Bhutia	State Co-ordinator, NERLP
23.	Shri Jigme Tshering	Sr Manager, CANARA BANK
24.	Shri Ashim Tamang	Dy Director, IT, UD & HD
25.	Ms Oshin R Gurung	Asst Town Planner, UD & HD
26.	Ms S Chettri	Under Secretary, Home Department
27.	Shri Subash Chandra Subba	Under Secretary(Confdt), Home Department
28.	Ms Mingma Diki Sherpa	Joint Secretary (P), Home Department
29.	Shri Avinash Labur	Relationship Manager, SBI General Insurance
30.	Shri Yogesh Kumar Nepal	State Cordinator, NICT Sikkim ,BC
31.	Shri Ashok Kumar Behera	Branch- in-charge, SIDBI, Gangtok
32.	Shri D Targain	Sr Manager, UCO Bank, Gangtok
33.	Shri Ratna bahadur Pradhan	Officer, South Indian Bank
34.	Shri Kenzong Bhutia	Sr. Manager, Bandhan Bank
35.	Ms Deepa Sunam	Faculty, SBI RSETI

36.	Shri Tilak Chettri	Officer, Syndicate Bank
37.	Shri Rufus Lepcha	Br Manager, Syndicate Bank
38.	Shri Mithlesh Kr Jha	Chief Manager, Allahabad bank
39.	Shri Ratan Saha	Chief Manager, Bank of Baroda
40.	Shri Aditya Rai	Sr Manager, Bank of India
41.	Shri Rajiv Kumar	Br Manager, Bank of Maharashtra
42.	Shri P M Rout	Asst General Manager, Canara Bank
43.	Shri L N Mukherjee	Chief Manager, Central Bank of India
44.	Shri Shatrughan Pal	Sr Manager, Corporation Bank
45.	Ms Lakpa Doma Lama	Sr Manager, Dena Bank
46.	Shri A N Mukherjee	Sr Manager, Indian Overseas Bank
47.	Shri Samar Kr Majumdar	Sr Manager, Oriental Bank of Commerce
48.	Shri Sanjoy Ghosh	Sr Manager, Punjab and Sind Bank
49.	Shri Norbu Bhutia	Sr Manager, Punjab National Bank
50.	Shri Chayan Khastogi	Chief Manager, UCO Bank
51.	Shri Amit Kumar	Sr Manager, Union Bank of India
52.	Shri Vijay Vardhana	Br Manager, United Bank of India
53.	Shri Kausik Majumder	Sr Br Manager, Vijaya Bank
54.	Shri Debashis Chaterjee	BSM, AXIS Bank
55.	Shri Manoj Kr Chetri	Branch Manager, HDFC Bank
56.	Ms Rekha Pradhan	Br Manager, ICICI Bank
57.	Shri Ashish Kr Ghosh	Br Manager, Kotak Mahindra Bank
58.	Shri Wangdi Sherpa	Br Manager, YES Bank
59.	Shri Amitava Sen Gupta	VP & CH, Bandhan Bank
60.	Ms Pema Chenzom	MD, SISCO Bank
61.	Shri Mridul Das	Sr Manager, India Post Payment Bank
62.	Shri Madhav Koirala	Asst, Lead Bank, SBI