

## **Minutes of the 62<sup>nd</sup> SLBC Meeting, Sikkim held on 21<sup>st</sup> November 2019 At The Conference Hall of Tashiling, Secretariat, Gangtok**

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The 62<sup>nd</sup> Meeting of State Level Bankers' Committee (SLBC) for the State of Sikkim was held at The Conference Hall of Tashiling, Secretariat, Gangtok on 21<sup>st</sup> November 2019.

The meeting was chaired by **Shri S. C. Gupta**, IAS, Chief Secretary, Govt of Sikkim

**Shri Thomas Chandy**, IFS, Addl. Chief 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 M. K Sharma**, Controller of Accounts, Govt of Sikkim, **Shri Ravindra Sangvai**, General Manager, Reserve Bank of India, Gangtok, **Shri D S Nirkhe**, GM, State Bank of India, LHO, Kolkata, **Smt R Tshering**, GM, NABARD Gangtok & **Shri D V Gutte**, DGM, State Bank of India, Zonal Office, Siliguri, were the other dignitaries present in the meeting.

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

Shri Gopal Lama, Lead District Manager, Lead Bank and 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. Shri Mallick alongwith Shri R Sangvai, GM, RBI, gave a brief description of Lead Bank Scheme to the Chairperson.

Shri Mallick also highlighted on the fact that banks were working on war footing on the mission to achieve 100 percent Financial Inclusion by the end of March 2020. However, network connectivity specially in the North and West Districts of the State was posing as a hindrance in achieving 100% Financial Inclusion. He also said that in order to overcome this State Bank of India with their own initiative had installed Mobile Towers themselves in Rakdong Tintek; thereby the entire area was getting benefited along with the branch. This is a part of the new digital initiative undertaken by State Bank of India.

The Chairperson, Chief Secretary, Shri SC Gupta, in his inaugural address welcomed everyone present in the meeting. He also mentioned the fact that this was his first State Level Bankers Committee Meeting after assuming office as the Chief Secretary of The State. He lauded the efforts the bankers were putting in for the overall development of the State. He also mentioned that more work needs to be done especially in the West District, which has also been identified as the aspirational district of the state.

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 61<sup>st</sup> meeting of SLBC held on 23<sup>rd</sup> of July 2019.**

~ The House confirmed the proceedings of the 61<sup>st</sup> SLBC Meeting.

## **Agenda No.2**

### **Follow-up of the Action Points that emerged from the 61<sup>st</sup> meeting of SLBC held on 23<sup>rd</sup> of July 2019.**

#### **1. All Banks to focus on Financial Inclusion meaningfully.**

~ Regional Manager, SBI, Shri Aftab Ahmad Mallick informed the house that all the Banks were working on war footing to achieve the mission of achieving 100% Financial Inclusion by the end of March 2020. He also mentioned that the Banks were working with NRLM in close coordination for identification of Bank Sakhis as Banking Correspondents.

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

The Chief Manager, Central Bank of India, Gangtok Branch informed the house that they were constantly following up with the appropriate authority for opening of a chest by CBI at Gyalshing. The GM, RBI, Shri RV Sangvai also informed the house that they were being informed of every step by Central Bank of India, Gangtok Branch and the RBI itself was doing everything necessary on their part for the proposal.

#### **3. 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 RV Sangvai informed the house that The former Chief Secretary had already written to the appropriate authority and RBI was following up constantly with the Department of Currency Management, RBI, Mumbai. He also informed that the current Chief Secretary would be updated on the issue. The Convenor, Shri Mallick and GM, RBI, highlighted on the problem of Currency Movement, Storage and Issue of fresh notes. The Chief Secretary directed all the stakeholders come out with a solution at the earliest.

#### **4. Proposals under PMEGP schemes to be forwarded to Private Sector Banks also.**

The ACS, Commerce and Industries Dept, Shri Thomas Chandy informed the house that a meeting was called specifically for this purpose during the month of November 2019. He expressed his displeasure on the participation of Private Banks in the meeting. He informed that it was decided on that meeting that proposals under PMEGP would be sent directly to the private Banks. He also warned that if the private banks don't come forward with assistance to the MSME sector then The

State Government would not hesitate to put an embargo on the deposits of State Govt with the Private Banks in the State.

**5. Senior Officers of all the Stake Holders and Banks to attend the SLBC Meeting at least once in a year.**

The Chief Secretary directed the SLBC to issue letter of displeasure to all the absentee bank branches and their controllers.

**Agenda No.3**

**Credit: Deposit Ratio / Credit + Investment: Deposit Ratio as on 31.03.2019**

The overall CD ratio of the State with credit from outside Sikkim was 77.4% and the CD ratio excluding credit from outside Sikkim was 46.2%. The Chairperson appreciated the efforts of the bank in this regard. He however, urged the poor performing Banks to expedite their lendings in the state for overall growth in the CD ratio to atleast 60% in the upcoming quarters and also reminded the Banks that all the banks were equally responsible for the development of the State.

**Agenda No. 4**

**Review of Performance under Annual Credit Plan 2019-20 including NPS for the quarter ended 30<sup>th</sup> September 2019**

During the Second quarter of FY 2019-20, the overall achievement of Banks under Annual Credit Plan was 68.6% which was including Non-priority sector. The achievement by Banks under priority sector was 21.8%.

Banks had achieved only 7.1% under Agriculture sector, 46.7 % under MSME sector and 24.5 % under other priority sector. The performance of Banks, whose achievement was low in priority sector, was viewed very seriously by the House. The Convenor, SLBC informed the house that Agriculture Lending was poor due to a number of factors, which includes majority of farmers being tenant farmers with small land holdings, the FPOs in the state being registered under Cooperative Societies Act rather than Companies Act, huge number of NPAs in Kisan Credit Card Scheme. He also informed the House that due to high cost of construction of houses in Sikkim, the amount of loan for Housing Loan mostly exceeds the limit for it to be considered under Priority Sector Advance. In this regard he said that a sub – committee will be formed under the supervision of RBI to increase the limit of the quantum of Housing Loans so that it can be considered as a priority sector lending. The Chairperson Shri, Gupta suggested that a sub-committee should be formed to review the progress under Agriculture Credit and also the provision of Targets being

given under Potential Linked Plan prepared by NABARD needs to be reviewed. He also urged the bankers and the line departments to work in close proximity and coordination and resolve all issues at the earliest.

All the non performing Banks were advised to increase their priority sector lending in the next Quarter. Shri Thomas Chandy urged the bankers to focus more on manufacturing enterprises, he also requested the bankers to encourage lendings in Micro Scale handicrafts units. General Manger, NABARD, Ms R Tshering informed the house about various subsidy schemes of the Government of India like DEDs and National Livestock Mission. She urged the bankers to provide loans under these schemes.

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.

### **Agenda No.5**

#### **Review of Special Programmes as on 31.03.2019**

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

The representative from KVIC, Shri B N Ray informed the house on the PMEGP Scheme. He also said that a total of 7 Loans had been forwarded to private banks, which were still pending at the Banks. He also urged the bankers to quickly process the files and update on the portal at the earliest. Shri Chandy also suggested the bankers to put a restriction on the number of vehicle loans being provided. He said that a conscious effort needs to be made in reduction of Traffic jams and pollution mainly in the urban areas of Sikkim.

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

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

##### **5.3 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.

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

The GM, NABARD, Ms R Tshering, informed the house about the DED Scheme. She also said that out of Rs 1 Crore subsidy allocated for the state of Sikkim only

9% of that subsidy had been utilized so far .The LDM, Shri Gopal informed the house that only 71 loans had been disbursed in the quarter amounting to Rs.1,17,53,000/-.He also said that due to non forwarding of proposals from the concerned department, banks could not sanction any proposals under this scheme.

#### **Agenda No.6** **Promotion of Self Help Groups**

The LDM, Shri Gopal Lama informed the house that a total of 5024 SHGs had already been savings linked in the State ,out of which 1798 had been successfully credit linked.

The Commissioner, RMDD, Dr P Senthil Kumar informed the house that digitization of Linkages of SHGs will be carried out in coordination with NABARD at the district Level.

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 Second quarter, 1259 nos. of KCCs had been issued by the Banks amounting to Rs 765.83 lacs. The GM, NABARD, Ms R Tshering informed the house 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 end of second quarter, the percentage of achievement in housing finance was 28.2% amounting to Rs 2568.93 lacs, which was viewed as very satisfactory.

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

The overall achievement under the scheme was 50.2% during the end of second 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**

#### **SBI RURAL SELF 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. However, with the initiative of the GM, DIC, Shri K.S. Bhutia, the East District Zilla Parishad has agreed to review the estimate once again and bring it down to an acceptable amount.

### **Agenda No. 12**

#### **Miscellaneous**

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

The Convenor, SLBC , Shri Mallick highlighted the PMAY scheme of the Govt of India. Further discussion could not be carried out due to the absence of representatives from the concerned department. However, it was discussed that a large section of residents of the state have not been able to take full benefit of the scheme due to upper limit in carpet area imposed under the scheme. The State Govt was requested to highlight the matter, with the concerned authorities, for relaxation in the carpet area limit so that the residents of the state can avail full benefit under the scheme.

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

Already discussed in the SLBC Steering Committee Meeting held on 20/11/2019

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

Already discussed in the SLBC Steering Committee Meeting held on 20/11/2019

##### **4. Uniform Banking Hours.**

The LDM informed the house that The Lead Bank Office is in receipt of letter no **CI-I/EASE/BCC dated 6<sup>th</sup> Aug 2019** from **Indian Banks' Association** whereby it has been mentioned that a sub-committee had been formed to implement Uniform Banking

Hours in all the Districts of the State. The timings suggested by the sub – committee are:

- i) 9:00 am to 3:00 pm
- ii) 10:00 am to 04:00 pm
- iii) 11:00 am to 05:00 pm

The House unanimously decided to stick with the timing of 10:00 am to 04:00 am as uniform banking hours across all banks in the State. The same was approved by the house.

#### **5. Deepening Of Digital Payments.**

A sub-committee on Deepening of Digital Payments and identification of Digital Districts had been formed on 20/11/2019, with members from Reserve Bank of India, NABARD, Lead Bank Office, Central Bank of India, etc. The existing aspirational district of the state i.e. West District had been identified as the first district for implementation of digital payments and Central Bank of India having the most number of branches was identified as the lead bank for the said initiative. The same was approved by the house.

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

**ACTION POINTS THAT EMERGED FROM 61st SLBC MEETING HELD ON 23.07.2019**

1. All Banks to focus on Financial Inclusion meaningfully.
2. Banks to conduct more Financial Literacy Camps at Schools/Colleges for digital Banking promotions and other solutions.
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. RBI to look into Sikkim specific issue of the limit and project cost of the amount of Housing Loans so that they can be considered under Priority Sector.
6. Proposals under PMEGP to be forwarded to private banks also.
7. Private banks to focus more on Priority Sector Lendings especially on Agriculture and Allied Activities and the achievement to be reviewed by RBI/NABARD in SLBC Steering Committee Meetings i.e. before SLBC.
8. Senior Officers of all the stake holders and Banks to attend the SLBC meeting at least once in a year.

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**LIST OF PARTICIPANTS :: 62nd SLBC MEETING :: 21.11.2019 :: SIKKIM**

<b>SR.</b>	<b>NAME OF THE OFFICIAL</b>	<b>DESIGNATION / DEPARTMENT</b>
1.	Shri S C Gupta, IAS	Chief Secretary, Govt. of Sikkim
2.	Shri Thomas Chandy,IFS	Addtl Chief Secretary, Comm & Industries Dept
3.	Shri C S Rao,IFS	Principal Secretary, RMDD, Govt of Sikkim
4.	Shri P Senthil Kumar	Commissioner, RMDD, Govt.of Sikkim
5.	Shri M K Sharma	Controller of Account, FRED, Govt of Sikkim
6.	Shri D S Nirkhe	GM, State Bank of India, LHO, Kolkata
7.	Shri R V Sangvai	GM, RBI, Gangtok
8.	Smt R Tshering	GM, NABARD, Gangtok
9.	Shri D V Gutte	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.	Ms P Chenzom	Managing Director, SISCO Bank, Gangtok
14.	Shri R L Sharma	DGM,SISCO Bank, Gangtok
15.	Ms Geetika Sharma	DGM, Canara Bank, Kolkata
16.	Shri Vikram Saha	AGM, Canara Bank, RO, Siliguri
17.	Shri Vinit Kumar	Chief Manager, UCO Bank, Siliguri
18.	Shri Mridul Pata	ARM,Circle Officer, OBC, Siliguri
19.	Shri Balai Mausal	Chief Manager, United Bank of India, Siliguri
20.	Shri Vijay Vardhan	BM,United Bank of India, Deorali Branch
21.	Shri Vaishnav Gazmer	Assistant Director (IT), SJ & WD, Govt of Sikkim
22.	Ms Neeta Gazmer	Joint Director, SJ & WD, Govt of Sikkim
23.	Shri S K Tamang	Addl Director, Horticulture Dpet, Govt of Sikkim
24.	Shri B N Roy	Asst Director, KVIC, GOI, Gangtok
25.	Shri Amit Kumar	BM, Union Bank of India, Gangtok Branch
26.	Shri AM Gurung	Dy Secretary, DIC/EN
27.	Ms S K Sangma	AGM, Union Bank of India,RO, Siliguri
28.	Shri Gyurme Yousal	CEO, SKVIB
29.	Shri Sailesh Lepcha	DPM,NRLM, RMDD, Govt of Sikkim
30.	Shri Biplop Dey	CBM, IndusInd Bank
31.	Shri Atanu Saha	Director, SBI- RSETI, Gangtok
32.	Shri Wangdi Sherpa	BM, YES Bank, Gangtok
33.	Shri Kenzong Bhutia	BH, Bandhan Bank
34.	Shri Suman Ghosh	Regional Head, Bandhan Bank, Siliguri
35.	Shri Amitava Sen Gupta	Cluster Head, Bandhan Bank, Siliguri

36.	Shri Dawa Bhutia	BM, Bank of Maharashtra, Gangtok Branch
37.	Shri M H Choudhury	Manager, Punjab and Sind Bank, Gangtok
38.	Shri Sandesh Kharel	Officer, Punjab and Sind Bank, Gangtok
39.	Shri Sikander Ali Khan	Branch Manager, NEDFI, Gangtok
40.	Shri V Nakkab	Manager (OPS) India Post Payment Bank, Gangtok
41.	Shri D Venugopal	ZM, Bank of India, Siliguri
42.	Shri Phaomei Thomas	Manager, IOB , Gangtok Branch
43.	Shri Aditya Rai	Sr BM. Bank of India, Gangtok
44.	Shri Harishankar Thakur	Chief Manager, Allahabad Bank, Gangtok Branch
45.	Shri Bikram Rajak	BM, Andhra Bank, Gangtok Branch
46.	Ms Malati Rai	Jr Steno, SPICES Board, Gangtok Branch
47.	Shri Ashok Kumar Behera	BM,SIDBI, Gangtok
48.	Shri Samujjal Laskar	BM, Karnataka Bank, Gangtok Branch
49.	Shri Mahesh Shetty	AGM, Karnataka Bank
50.	Shri Arijit Nandy	Chief Manager, Central Bank of India, Gangtok Branch
51.	Shri Devendra Singh	Sr Manager, Central Bank of India
52.	Shri Mani Shanker Banerjee	AGM, Regional Office, IDBI, Siliguri
53.	Shri Jigme Norbu	Manager, IDBI, Gangtok Branch
54.	Shri Kinshuk Saha	VP & Cluster Head, Axis Bank
55.	Shri Tanveer Ahmed	AVP and Branch Head, Axis Bank, Gangtok
56.	Shri Niten Chettri	GCG, RM, Axis Bank
57.	Shri Sandesh Khare	Officer , Punjab and Sind Bank, Gangtok Branch
58.	Shri Jigme W Bhutia	Joint Secy cum SO to Chief Secretary, Govt of Sikkim
59.	Shri Sandip Chandra	LDM,(S/W) SBI, Gyalshing
60.	Shri Pawan Kumar	Sr Manager, Corporation Bank, Gangtok
61.	Shri Norbu Bhutia	Sr Manager, Punjab National Bank, Gangtok
62.	Shri D Targain	Sr. Manager, UCO Bank, Gangtok Branch
63.	Shri Sandeep Gor	Manager, South Indian bank, Gangtok Branch
64.	Shri Lopsang Sherpa	DGM, Bank of Baroda, Siliguri
65.	Shri Ratan Saha	CM, Bank of Baroda, Gangtok Branch
66.	Shri Jigme Tshering	SM, Canara Bank, RO, Siliguri
67.	Shri Mingur Sherpa	Manager, Canara Bank, Gangtok Branch
68.	Ms B Deuri	AGM, NABARD, Gangtok
69.	Shri Alok Kumar	Incharge, National Horticulture Board, Gangtok
70.	Shri Madhav Koirala	Associate, Laed Bank Office, SBI, Gangtok

