

**State Level Bankers' Committee**  
**Sikkim**

**Minutes on Special SLBC with regards to the flashflood in the State of Sikkim held on October 18, 2023.**

A Special State Level Bankers' Committee meeting was held on October 18, 2023, at the Conference Hall of Tashiling, Secretariat, to initiate relief measures by the banks for the existing borrowers as also for non-account holders/common man affected by flood.

The meeting was chaired by Shri Vijay Bhushan Pathak, Chief Secretary, Government of Sikkim and attended by Shri Thomas Devasia, Member IRDAI; Shri Kishore Pariyar, Regional Director, RBI Sikkim, senior officials from various State Government Departments, senior official from NABARD, Shri N.K.Singh, GM-cum-SLBC Convenor and all the Zonal Heads of the banks in Sikkim.

After deliberating on various issues related to the devastation that resulted from flash floods, the following resolutions were passed in the public interest and especially in the interest of people of Sikkim adversely affected by the flood:

- I. **Confirmation of Disaster:** The government of Sikkim vide its Memo No. 399LR&DMD/GoS Notification dated October 04, 2023, declared *the catastrophe as a Disaster in exercise of the powers conferred vide Section 22(2)(b) of the Disaster Management Act, 2005, (53 of 2005)*. Accordingly, four districts viz., **Mangan, Gangtok, Pakyong and Namchi** will be considered as affected districts for the purpose of restructuring of existing loans, sanctioning fresh loans, relaxing in KYC, etc., as prescribed in RBI Master Direction FIDD.CO.FSD.BC No.9/05.10.001/2018-19 dated October 17, 2018.
- II. **Estimation of extent of damage:** *The State Govt. has stated that most of the standing crops have been damaged and hence decided to provide relief to the populous based on the eye estimates/visual impressions.*

It is hereby resolved that the Committee is satisfied by the reasons for opting relief measures based on the eye estimate/visual impressions. Accordingly,



banks shall extend high slab relief measures as per the RBI's aforementioned Master Direction based on eye estimate/visual impressions.

- III. **Issuance of Certificate by District Collectors/ District Magistrates:** Banks will provide relief to the applicant identified by the District Collectors i.e. the District Collectors will issue certificates regarding identification of affected people by the flash flood in order to enable the banks to provide relief measures. Separate communication shall be issued by the Office of Chief Secretary to the concerned District Collector in this regard.
- IV. **Time period for applying relief measure:** The Committee deliberated and decided that application for relief measure will be accepted for 3 months from 23<sup>rd</sup> October, 2023.
- V. **Concessional Rate of Interest on Loans:** It is hereby resolved that banks shall not charge more than 4% interest per annum for loans up to ₹10 lakh for the period of 24 months. The bank may at its discretion provide this concession for loan above ₹10 lakh. Further, an interest subvention of up to 4% shall be provided by the State Government for a period of 24 months.
- VI. **Waiver of penal interest:** In respect of default in current dues, no penal interest shall be charged. The banks shall also suitably defer the compounding of interest charges. Banks shall not levy penal interest and consider waiving penal interest, if any, already charged in regard to the loans converted/rescheduled.
- VII. **Moratorium:** It was hereby resolved that a moratorium of one year will be extended to all types of loans, further, the tenure of the repayment of the loan will also be extended by one year.
- VIII. **Discretionary Power to Zonal Heads(Regional Heads) of the banks in Sikkim:** It is hereby confirmed by the banks that the Divisional/Zonal Managers/Cluster Heads/Regional Heads of scheduled commercial/Small Finance banks have been vested with certain discretionary powers to avoid the need to seek fresh approval from their Head Office/Controlling Office regarding the line of action decided by this Committee. In order to expedite the relief measures, the above discretionary powers shall be used for the adoption of scale of finance, need-based restructuring of loans, extension of



loan period, margin, security, sanction of new loan keeping in view the total liability of the borrower arising out of the old loan where the asset financed was damaged or lost as a result of the natural calamity and the new loan to be financed for creation/repair of such asset(s).

- IX. Insurance Companies to expedite the insurance proceeds:** It was hereby resolved, that IRDAI shall direct insurance companies to expedite the insurance proceeds of the people affected in Sikkim and settle the compensation within a maximum period of 3 weeks. Further, insurance companies shall deploy a team immediately to assess the damage in the State of Sikkim for early settlement of insurance claims.
- X. Loss of Insurance Document:** The Chairperson mentioned that people affected by flood might not possess original documents relating to insurance claims. Accordingly, the Chairperson requested IRDAI to issue instructions to insurance companies not to insist upon submission of original documents, instead IRDAI may explore alternate way to establish the genuineness of the customers, in order to expedite the disbursement of insurance claims and ensure that under no circumstances the insurance claim payment shall be withheld for the want of original document.
- XI. Creating Awareness among the public:** The Chairperson stated that the State Government, through its Department for Information and Public Relations will widely disseminate banking-related relief available for the affected people to enable them to apply for the relief.  
IPR will also specifically publicise about the three-month window for submission of applications by the affected borrowers in order for to enable them to avail the relief measures provided by the banks.
- XII. Review Meeting:** The Chairperson stated that banks should go beyond the call of duty, and extend relief measures to the common public. Further, he added that any extraordinary effort done by them should be documented and submit the same to RBI as a success story. As the impact of this measures will take some time, a review shall be done in due course to listen to the success stories by the banks.
- XIII. Financial Aid:** The Chairperson appreciated the contribution of ₹2 crore made by State Bank of India for the relief efforts. Further, he appealed to the





banks to volunteer to provide contributions to the Government relief fund as part of Corporate Social Responsibility (CSR).

**XIV. Modalities for rolling out relief measures:**The Committee extensively deliberated on various modalities for rolling out the relief measures and the following courses of action were agreed upon by the banks present in the meeting:

- a. **Periodicity of submission of data:** Banks to submit list of beneficiaries on to STF weekly basis for onwards submission to Office of the Chief Secretariat.
- b. **Rescheduling and Restructuring of Loans**
  - i. Restructuring of existing short-term agriculture loans. (Without asking for collateral)
  - ii. Moratorium period to be extended for short-term loans.
  - iii. Rescheduling of Long Term Agriculture Loans.
  - iv. Rescheduling of all other loans (i.e. beside agriculture)
- c. **Moratorium:** Moratorium period of one year and tenure of repayment to be extended by one year.
- d. **Sanctioning of Fresh Loans:**
  - i. To Agriculture and Allied Activities
  - ii. To Rural Artisans, self-employed persons, micro and small units, etc.
  - iii. To commercial buildings under micro and small units.
  - iv. Assist new borrower in preparing for documentation.
- e. **Insurance**
  - i. Help customers to claim insurance by guiding them and helping them in proper documentations.
  - ii. Help claim insurance of existing borrowers under Agriculture/MSMEs.
  - iii. Help claim insurance of loans taken for construction of Residential and Commercial Buildings.
  - iv. Banks shall also start restructuring of loans without waiting for insurance proceeds. (Agri loans restructuring)



**f. Granting of consumption loan**

- i. Banks shall also grant consumption loan up to ₹10,000/- to existing borrowers without any collateral. The limit may, however, be enhanced beyond ₹10,000/- at the bank's discretion.

**g. Guarantee, Security and Margin**

- i. Considerate and sympathetic view in case of sanctioning fresh loan.
- ii. Margin requirements may be waived.
- iii. Loan should not be refused for want of security / collateral

**h. Rate of Interest**

- i. Banks shall not charge more than 4% interest per annum for loans up to ₹10 lakh for the period of 24 months.
- ii. The bank may at its discretion provide this concession for loan above ₹10 lakh.
- iii. An interest subvention of up to 4% shall be provided by the State Government for a period of 24 months.

**i. Penal charges**

- i. In respect of default in current dues, no penal interest shall be charged.
- ii. Banks shall also suitably defer the compounding of interest charges.
- iii. Banks shall not levy penal interest and consider waiving penal interest, if any, already charged in regard to the loans converted/ rescheduled.

**j. Residential Buildings:**

- i. Loans up to ₹6 lakh for repairs to damaged houses are considered under Priority Sector Lending.
- ii. Loans up to ₹25 lakh for purchase/ construction of house can be given under Priority Sector Lending for houses totally damaged.
- iii. Restructuring/ Rescheduling of loans taken for constructing Residential and Commercial Buildings.
- iv. Moratorium up to 1 year may be provided for loans taken for constructing Residential and Commercial Buildings.



**k. Easing of KYC norms**

- i. For opening of basic deposit account, photograph along with signature or thumb impression shall suffice.
- ii. Where land is taken as security, in the absence of original title record, a certificate issued by the Revenue Department officials shall be accepted for financing to farmers who have lost proof of their title such as title deed or registration certificate issued to registered share-croppers.

**l. Providing access to Banking Service**

- i. For people affected by flash flood: Waiving of ATM fees, increasing ATM withdrawal limits; waiving of fees towards overdraft/ early withdrawal penalty on time deposits/ late fee for credit card/ other loan instalment payments, etc.
- ii. Giving option to credit card holders to convert their outstanding balance to EMIs repayable in 1-2 years.
- iii. Besides, all charges debited to the farm loan account other than the regular interest may be waived considering the hardship caused to the affected people.
- iv. Bank may also make arrangements to render banking services in the affected areas by setting up satellite offices, extension counters or mobile banking facilities, etc. under intimation to RBI.

**XV. Weekly Status on disbursement of relief measure:** In order to ensure that the benefit of relief is given to genuine persons affected by the flood, the Chairperson advised that banks shall submit the list of beneficiaries who have benefited from the relief measures every week to RBI Gangtok for onward submission to Office of Chief Secretariat.

**XVI. Setting up of Special Task Force:** As decided by the Chairperson, a Special Task Force may be formed to monitor the status and progress of reliefs provided by banks in the affected areas. Initially, the meeting may be convened on a weekly basis, either physically or over WebEx. Later, the same may be convened on a fortnightly basis/need based. The Task Force shall be





chaired by the Regional Director, Reserve Bank of India, Sikkim. Its members shall includesenior officials from the Department of Agriculture, Department of Animal Husbandry, Department of Land Revenue, State Finance Department, State Rural Development Department, District Collectors of all the affected districts, BSNL, IRDAI, MSME-DFO, all the Zonal Heads of the banks in Sikkim and SLBC Convenor. The Terms of Reference for Special Task Force (STF) are given in the Annexure.


A separate communication in this regard will be issued by SLBC under the signature of Chief Secretary-cum-Chairman of SLBC.

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The above minute is submitted for kind approval, please.

  
(Shri N. K. Singh)  
GM-cum-SLBC Convenor

  
18/10/2023  
(Shri Kishore Pariyar)  
Regional Director, RBI, Sikkim & Chairman of Steering Committee

  
(Shri Vijay Bhushan Pathak) IAS  
Chief Secretary  
Government of Sikkim  
October 19, 2023



## Annexure

1. **Issuance of Certificate by District Collectors/ District Magistrates:** District Collectors to issue certificates for people affected by the flash flood, in order to enable banks to provide relief measures.
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  - b. Further, insurance companies shall deploy a team immediately to assess the damage in the State of Sikkim for early settlement of insurance claims.





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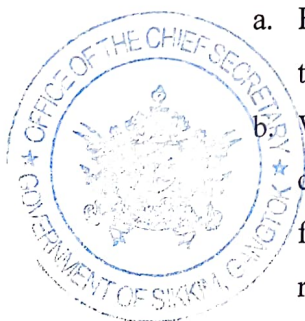
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15. **Time period for applying relief measure:** Application for relief measure will be accepted for 3 months starting from October 23, 2023.



**LIST OF PARTICIPANTS FOR SPECIAL SLBC HELD ON 18/10/2023**

<b>SL NO</b>	<b>NAME</b>	<b>DESIGN./BANK</b>
1	Shri V.B Pathak	Chief Secretary, Govt. of Sikkim
2	Shri Kishore Pariyar	Regional Director, RBI, Gangtok
3	Shri Thomas Debasia	Member Non Life, IRDAI Virtually
4	Shri R S Jagpal	ED, Non Life , IRDAI, Virtually
5	Shri DVS Ramesh	CGM, IRDAI, Virtually
6	Shri M. T Sherpa	Secretary UD & HD
7	Shri Karma R Bonpo	Secretary, Comm & Industries Dept
8	Shri Anil Raj Rai	Secretary, LR & DM Dept
9	Shri S K Tamang	PD cum Secretary, Horticulture Dept
10	Shri S. K Tamang	PD cum Secy Horticulture
11	Dr. Sanjay M. Gajmer	Director, AH & VS, GOS
12	Shri Nitesh Gururng	Dy Director Fisheries, AHVS
13	Shri N. K Singh	SLBC Convenor cum GM SBI
14	Smt C Latha	GM, IRDAI, Virtually
15	Shri Goda Ravishankar	DGM, RBI
16	Shri P W Bhutia	MD, State Bank of Sikkim, Gangtok
17	Smt Pema Chezom	MD, SISCO Bank, Gangtok
18	Smt Swarnali Maity	AGM, RBI, Gangtok
19	Smt Bhama Deuri	AGM, NABARD, Gangtok
20	Shri Atanu Bandopadhyay	RM, SBI, Gangtok
21	Shri Biswajit Haldar	RH, Union Bank of India
22	Shri Alok Taneria	RH, Central Bank of India
23	Shri Tapas Pal	MD, Citizens Urban Coop Bank, Gangtok



24	Shri Dipjyoti Borthakur	DRH, Bank of Baroda
25	Shri Santanu Kundu	DRH, Canara Bank
26	Shri Prasenjit Pradhan	VP, HDFC Bank
27	Shri Gyurme Yousal	Pr CEO, SKVIB
28	Shri Rajesh Kumar	SRH, Indian Overseas Bank
29	Shri Gautam Kumar	RH, IDBI Bank
30	Shri Suvjit Talpatra	RH, Bandhan Bank
31	Shri Pramod Kumar	ZH, Indian Bank
32	Shri Pinaki Dey Biswas	CH, Bandhan Bank
33	Shri D K Gupta	CH, Karnataka Bank
34	Shri Subhabrata Chakraborty	CH, Axis Bank
35	Shri P P Sharma	Addl Director, LR & DM Dept
36	Shri Deepak Mazumdar	CH, IndusInd Bank
37	Shri Super Prasad	Sr. Manager, Punjab & Sind Bank
38	Ms Pemu Dukpa	Dy Manager, National Insurance Co. Ltd.
39	Shri Vijay Kr Singh	Chief Manger, Bank of Maharashtra
40	Shri Arpan Chettri	Sr. Manager, UCO Bank Gangtok
41	Shri Vivek Kumar	Sr. Manager, Union Bank of India
42	Shri K. Fabian Chongri	S.M, IPPB Gangtok
43	Shri Pradeep Ahmed	LDM Pakyong, CBI
44	Shri Rajeeva Kr. Shama	Br. Manager CBI
45	Shri Santosh Kumar	Sr, BM BOI
46	Shri Arpan Chettri	Sr, Manager, UCO Bank Gangtok
47	Shri Anant Dhamala	Manager SBI LHO KOL
48	Shri K.K Subba	D.M National Insurance Co.Ltd

49	Shri Soumnil Nandhi	Br. Head South Indian Bank
50	Shri Subhasis Sarkar	AM NABARD
51	Shri R Sharma	Manager SIDBI
52	Shri M Amarjit Singh	Manager RBI
53	Ms V Spandana	Manager, IRDAI Virtually
54	Shri Narbu Bhutia	Sr. Manager PNB
55	Shri Somnath Sarkar	C.M PNB
56	Shri Gadadhar Ray	CM SLBC
57	Shri Anit Lamichaney	LDM
58	Shri Kallol Bhattacharya	CM Lead Bank
59	Mrs Geeta Chettri	Sr. Manager, NESFB
60	Shri Madhav Koirala	Asst Manager, Lead Bank, SBI