

**United Bank of India
Lead Bank Division
Head office
Convener**

State Level Bankers' Committee for Tripura

Minutes of the 112th State Level Bankers' Committee Meeting for the State of Tripura held on 20.03.2015

The 112th SLBC meeting of Tripura State was held at the Conference Hall no.4, Pragna Bhawan, P.N. Complex, Agartala on March 20, 2015 where performance of Banks during the period from April 2014 to December 2014 was reviewed. The meeting was chaired by Shri Sanjay Arya, Executive Director of United Bank of India. Amongst other dignitaries, Shri Puneet Agarwal, Secretary, Finance Deptt, Govt. of Tripura, Shri Sahadev Das, Director of Institutional Finance, Govt. of Tripura, Shri C. K. Jamatia, Addl. Secretary (RD), GoT, Sri N. P. Topno, General Manager, RBI, Sri R. K. Debbarmann, General Manager, NABARD and Shri Manas Dhar, General Manager, UBI & Convener, SLBC (Tripura) were also present. Other Senior Executives of the State Government, RBI, NABARD and Banks also participated in the meeting. A list of participants of the meeting is enclosed.

At the outset Sri Manas Dhar, General Manager, United Bank of India & Convener SLBC of Tripura welcomed all the participants to the 112th meeting of SLBC Tripura and requested Shri Sanjay Arya, Executive Director, UBI to deliver his keynote address.

Shri Sanjay Arya, Executive Director, United Bank of India & Chairman, SLBC, Tripura, prior to delivering his welcome address warmly greeted the Finance Secretary, Govt. of Tripura and General Manager, Reserve Bank of India with flower bouquet at their first SLBC meeting. Shri Arya also extended hearty welcome to other executives from the Govt. of Tripura, RBI, NABARD and Banks.

Shri Arya mentioned about significant achievements in different parameters apart from informing about the progress made with regard to major decisions of the last SLBC meeting held on 06.12.2014.

Shri Arya, highlighted the following issues in his keynote address.

1. At the end of December 2014, the CD Ratio of the State has reached 40%, registering a Y-O-Y growth of 2 %. Now, all the Banks should try hard to push the CD ratio of the State beyond 40% by extending credit to the activities like Agriculture, fishery, dairy and handicrafts, etc.
2. Under ACP 2014-15 as against the annual target of Rs.2564.53 crore, the achievement of all banks up to December 2014 was Rs.2000.64 crore (78% of the annual target) and requested the bankers to achieve the target of the year.
3. The Banks to step up lending in Agriculture Sector to achieve the target of Agriculture for Rs 964.5 crore and issuance of KCCs to 1 lac farmers as depicted under ACP.
4. Shri Arya lauded the banks and State Government for their dedicated efforts in National Mission of PMJDY and opening 4.05 lac PMJDY accounts in the State.
5. Sri Arya expressed his deep concern over the size of NPA which stood at Rs.409.40 crore at the end of December 2014, at 6.33% of total Advance in the State. This is a matter of concern for the Banks in the State.

Thereafter, Shri Manas Dhar, General Manager(Prisec & FI) and Convener of SLBC(Tripura) undertook the following Agenda wise discussion through Power Point Presentation and requested the members to interact on the issues.

Agenda 1 : Confirmation of proceedings of 111th SLBC meeting for Tripura held on 06.12.2014 :

Confirmed by the House.

Agenda 2 : Compliance of Action Points on major decisions of previous SLBC meeting.

- A. Stabilisation of Bank Mitra outlets of Tripura Gramin Bank (TGB) to offer online transaction and seamless banking facility to its customers enrolled by the Bank Mitras should be ensured :**

TGB has successfully moved to online transactions like other commercial Banks.

- B. Prudent Cash Management at Bank Mitra outlets especially on the day of payment of Govt. subsidies. Phase wise payment to the beneficiaries of the Govt. subsidies at Bank Mitra points to avoid rush and number of beneficiaries to receive such subsidy benefit on a single day to be limited according to capability of the Bank Mitra to make cash payment :**

To avoid rush in making payment of Govt. subsidies, to the beneficiaries, Bank branches and Bank Mitras have been instructed to make phase-wise payment of benefits to the customers on different dates according to the capability of the Branch/ Bank Mitra with prior intimation to the Gram Panchayets and thus resolve the problems locally.

- C. Banks to make efforts to achieve CD ratio of 40% for the State:**

CD Ratio increased to 40% as on Dec,2014 of Tripura.

- D. The District Administration should review the CD ratio in all DCC meetings and Action points should be decided for all districts to push up the CD ratio:**

Out of 8 districts, 5 districts have reported positive growth in CD ratio on Y-o-Y basis.

- E. Issuance of KCC to all farmers, revision in scale of finance for KCC:**

All Banks have issued about 0.80 lac KCCs upto 28.02.2015 with revised scale of finance.

- F. For opening of 170 ATMs at the selected locations, Banks should go by the findings of the Small Committee of SLBC constituted for this purpose in 108th SLBC meeting:**

Meeting with FIS was held on 02.12.2014 to sort out the issue. FIS personnel have not yet submitted any report. ATMs/ Brick and Mortar Branches / Fixed point BCCS are providing banking services in these locations. Hand-held devices of Bank Mitras are inter-operable and capable of pin based transactions.

- G. NRLM Sub-Committee of SLBC should hold meeting to discuss the ground level issues of SHGs and to operationalize the NRLM programme, the action points should be finalized:**

A workshop with the Bankers was held on 10.03.2015 to discuss the ground level issues. 22 active women members from different groups have already been sent to Andhra Pradesh for one month training to work as community resource person.

Shri C. K. Jamatia, Addl. Secretary (RD), GoT requested bankers for proper coding of SHG accounts for claiming of interest subvention regularly ant to hold a meeting of SLBC, NRLM Sub-Committee in the month of April 2015.

Agenda 3 : Financial Inclusion Plan.

Out of 619 villages with population less than 2000, 619 villages have been covered by providing Banking Outlets, out of which 35 are covered by Brick & Mortar Branches and 584 are covered by Business Correspondents. House noted the achievement.

From the date of announcement of PMJDY since 15th August 2014, 4.05 lac accounts have been opened under PMJDY upto 28.02.2015, by holding Account Opening Camps in different areas upto 28.02.2015. Tripura achieved the record of 100% PMJDY saturation on 25th November, 2014, well before the targeted date.

Agenda 4 : Implementation of Annual Credit Plan.

House reviewed the overall achievement under ACP 2014-15 as on December,2014 (3rd quarter). Overall achievement under ACP was 78% with a disbursement of Rs.2000.64 crore against the target plan of Rs.2564.53 crore. Achievement under Agriculture sector remained to be 54%. 67% of the target under Priority sector has been achieved while achievement in non-priority sector was 138%. The House further noted over all achievement of Rs.2421.00 crore i.e. 94% of the annual target upto 28.02.2015.

Adoption of Annual Credit Plan (ACP) for 2015-16 & its formal launching :

The Annual credit Plan 2015-16 has been framed on the basis of PLP projection of all districts prepared by NABARD. Priority Sector lending for the State has been worked out to the tune of Rs.2513.56 crore, while the total outlay for the year 2014-15 was fixed to the extent of Rs.2176.81 crore. Considering Non-Priority Sector Outlay at Rs.426.49 crore, total credit plan for Rs.2940.05 crore for the State for 2015-16 has been arrived at.

- The House adopted the Annual Credit Plan for 2015-16.

Sri Rajat Kanti Debbarmar, GM, NABARD thanked SLBC for approving Annual Credit Plan 2015-16 prepared on the basis of PLP. He requested holding meeting of SLBC Sub-Committee for monitoring the progress of Agriculture credit, KCCs, SHGs, etc., which was taken as an action point.

Agenda 4 : Performance of Banks in key areas in Tripura as on December,2014.

House reviewed the performance of the Banks as on December, 2014. The overall Advance in the State has witnessed y-o-y growth of 18% from Rs.5471.95 crore as on Dec, 2013 to Rs.6466.41 crore as on Dec, 2014. Similarly, y-o-y growth of 13% has been registered in Deposits which stood at Rs.15996.02 crore as on Dec, 2014, from Rs.14202.48 crore as on Dec, 2013.

The House also noted the y-o-y growth of 2% in lending to Weaker Section,4% growth in lending to SC/ST borrowers, 23% growth was registered in lending to Minority community.

Overall y-o-y growth of 31% was registered in MSME sector and total Priority Sector achieved a y-o-y growth of 15%.

Agenda 5 : Recovery of Loans.

The House reviewed sector-wise and also Government Sponsored Scheme wise recovery of loan position. Overall recovery percentage in respect of three broad sectors, viz Agriculture, MSME and Other Prisec as on December,2014 stood at 57%, against the same at 46% as on December, 2013. There was no significant improvement in recovery under Schematic lending. Recovery in SJSRY was 23%, SGSY was 26%, PMRY was 6%, while recovery in PMEGP was 33% only.

Agenda 6 : NPA position of Banks in Tripura.

1. Percentage of gross NPA increased from 5.48% as on March 2013 to 6.33% as on Dec' 2014. Amount in absolute terms increased from Rs. 251.92 crore as on March 2013 to Rs. 409.40 crore at the end of Dec' 2014. Percentage of gross NPA came down over the years on account of write off of loan accounts where no recovery could be made. The outstanding amount under written off is around Rs 87.61 crore which if added with the outstanding NPA, the amount of NPA would be Rs 497.01 crore which is 7.68% of the gross advance and very alarming. Sri Arya expressed his deep concern over the mounting NPA over last few quarters. He solicited assistance of State Government for taking remedial measures on the situation.

Agenda 7 : CD ratio of the Banks.

Already discussed and noted by the House. Out of 8 districts, 5 districts have reported positive growth in CD ratio on Y-o-Y basis. CD ratio of the West Tripura District was at 32%, although improved still was considered as lowest in the State. Hence, special efforts should be taken by all Banks to improve the CD ratio of this district for equitable allocation of credit in terms of deposit mobilised in the district.

Agenda 8: Flow of Credit to Agricultural sector.

Outstanding Advance to Agriculture of all Banks as on December,2014 was Rs.1295.26 crore which was 22% of the ANBC (National target is 18%). Against a target of Rs.964.48 crore under ACP for 2014-15, disbursement in Agriculture sector as on Dec, 2014 was Rs.525.40 crore which stood at 54% of the target.

For fresh KCC issuance in the year 2014-15 as against target of 1 lac, 66003 proposals have been sanctioned and disbursed Rs.204.28 crore upto Dec.,2014. Average per ticket KCC remains to be at a lower side of Rs.30,950/-. KCC outstanding as on Dec, 2014 stood at Rs.467.08 crore with 2,62,736 nos. of KCC issued by all Banks.

Agenda 9 : Performance under Employment Generation Schemes.

House noted the performance of the Banks and noted the progress on SHG, Swavalamban, PMEGP, SJSRY, KCC-Fishery, etc. upto December 2014.

Shri T. K. Chakma, Special Secretary & Director, I & C, GoT requested banks to dispose all pending proposals of PMEGP & Swavalamban and to disburse all the sanctioned cases under PMEGP, where EDP training has been completed, within 31.03.2015.

Sri Puneet Agarwal, Secretary, Finance, GoT requested the bankers for disposal of PMEGP & Swavalamban proposals throughout the year instead of last quarter of the year. He also suggested for carry forward of sanctioned PMEGP cases next year subject to fulfillment of criteria under the Scheme.

Sri Rajat Kanti Debbarmann, GM, NABARD opined that EDP training institutes including RSETI should increase their training capacity so as to reduce time gap between sanction & disbursement of cases under PMEGP & Swavalamban.

Dr. Manoranjan Sarkar, Jt. Director (ARDD), GoT requested the bankers for setting up of dairy units with quality milch cows.

Agenda 10 : Financing Education Loan & Housing Loans in Tripura.

Disbursement made during the year 2014-15 under Education loans upto December,2014 was for 316 accounts involving an aggregate amount of Rs.6.39 crore. The outstanding balance in Education Loans as on 31.12 2014 stood at Rs.84.77 crore in 3685 accounts against a yearly target of Rs.89.00 crore.

Under Housing Loans, outstanding balance as on Dec, 2014 stood at Rs.1067.28 crore in 30586 accounts. House noted the progress.

Agenda 11 : SME financing under ACP.

House reviewed the overall achievement of MSE under ACP 2014-15 as on December, 2014 (3rd quarter). All Banks had disbursed Rs 644.04 crore, against ACP target of Rs.747.82 crore upto December, 2014, registering an achievement of 86%. House noted the achievement.

Miscellaneous Issues:

Shri N. P. Topno, General Manager, RBI informed that 207 financial literacy camps have been conducted by the rural bank branches during first 9 months of this current fiscal and requested to ensure that each FLC and rural branch would continue to conduct one literacy camp once in a month as per RBI guidelines. He suggested for opening of RSETIs in the newly formed Districts, if possible, for increasing the capacity building of EDP training. He also requested member banks for strengthening of banking outlet in rural areas.

Shri Hemanta Bora, Chief Manager, Allahabad Bank informed the House that bank branches are not in a position to recover even upfront fee @ 5% paid at the time of filing PDR cases. He proposed for either reduction of upfront fee or linking the same with recovery.

Shri Sanjay Arya, Executive Director, United Bank of India requested the State Government to reconsider the issue to improve the recovery climate of the State. Shri Arya also advised for attaching the detailed list of properties while filing the PDR cases. SLBC, Tripura would approach the Revenue Department of State Government in this regard.

Shri Sahadeb Das, Director, Institutional Finance, GoT urged upon the banks for implementation of Clean Note Policy, FICN, etc. He requested the banks to submit list of branches having Coin Vending Machines, Note Sorting Machines, CCTV, etc. for record of the State Government.

Shri Sahadeb Das, Director, Institutional Finance, GoT requested the banks for issuance of RuPay cards to all PMJDY account holders at the earliest.

Shri C. K. Jamatia, Addl. Secretary (RD), GoT requested banks to cooperate with MNREGA card holders for seeding of Aadhaar in their accounts and also to take care for payment of their wages through accounts.

After threadbare discussion the following major Action Points emerged from the meeting.

- All Banks are to make concerted efforts to raise the CD ratio of the State beyond the level of 40%. The District Administration should review the CD ratio in all DCC meetings and Action points should be decided for all districts to push up the CD ratio. Extra efforts should be initiated for West Tripura District to improve its CD ratio with high ticket loan accounts.
(Action : All Banks & LDMs).
- All Banks are to make concerted effort to achieve 100% disbursement in ACP 2014-15. **(Action : All Banks).**
- All Banks are to make serious effort to achieve 100% issuance of target under KCCs as on 31.03.2015. **(Action : All Banks).**
- Each FLC and rural branch would conduct one literacy camp once in a month.
(Action : All FLC & Rural branches)
- NRLM Sub-Committee of SLBC should hold meeting to discuss the ground level issues of SHGs and to operationalise the NRLM programme. A meeting of SLBC, NRLM Sub-Committee may be held in the month of April 2015 regarding interest subvention. **(Action : SLBC and Banks)**
- WSHG is operational in Dhalai and West Tripura. Sub-committee meeting regarding credit linkage of these SHGs to be held with the participation of all stakeholders. SLBC to conduct this meeting. Secretary Finance, GoT and Addl. Secretary(RD), GoT are to be invited in this meeting. **(Action : SLBC and Banks)**

- PMEGP sanctioned cases of the current year whose disbursement could not be made by the year end should be spilled over to the next financial year and to be treated as fresh proposals **(Action: Banks & State Govt.)**.
- In case of PDR cases in Tripura, banks need to pay upfront fees of 5%, which is not even recoverable in most of the cases. Bankers urged upon the State Government to relax the fees by linking it to the actual recovery made from the case. SLBC to write about this, on behalf of all banks to the Revenue Department of the State Government **(Action: SLBC & State Government)**.
- The list of Note Sorting machines, CCTV in Branches and ATMs, Coin Vending machines etc. to be provided to State Government**(Action: Banks)**.
- All MGNREGA Accounts are to be seeded with Aadhaar. List of beneficiaries along with Bank, Branch, Account number and Aadhaar number to be provided by State Govt. to all the LDMs, who in turn will distribute it to all the banks, so that seeding can be completed at the earliest. Report to be submitted in next SLBC. **(Action: Banks)**.
- EDP training institutes need to increase their capacity so that the sanctioned-disbursement gap in PMEGP cases can be minimized. **(Action: Banks & State Govt.)**.

Vote of Thanks.

Thereafter, Sri Tapan Patra, Chief Regional Manager, United Bank of India, Tripura Region extended vote of Thanks to all the dignitaries present in the meeting. He heartily thanked Secretary, Finance, Govt. of Tripura for his valuable guidance & observations, which would have a deep impact on the functioning of Banks in Tripura. He also thanked all the dignitaries from Govt. of Tripura and Bankers present for their valuable inputs which enriched the deliberations.

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