

UNITED BANK OF INDIA  
LEAD BANK DIVISION  
HEAD OFFICE

**Proceedings/Minutes of the 108<sup>th</sup> SLBC Meeting for the State of Tripura held on  
16<sup>th</sup> January, 2014.**

The 108<sup>th</sup> SLBC meeting of Tripura State was held at the Conference Hall no.4, Pragna Bhawan, P.N. Complex, Agartala on January 16, 2014 for reviewing the performance of Banks during the period from April 2013 to December 2013. The meeting was chaired by **Smt. Archana Bhargava, Chairperson & Managing Director, United Bank of India & Chairperson SLBC Tripura.** **Sri S.K.Panda, Chief Secretary, Govt. of Tripura.** **Sri K.V.Satyanarayan, Addl. Chief Secretary, Govt. of Tripura,** **Shri N.C.Sinha, Principal Secretary, Rural Development, Govt. of Tripura,** **Sri P.K. Jena, Regional Director, RBI, Guwahati,** **Shri A.K.Dogra, Dy. Secretary, DFS, Ministry of Finance, Govt. Of India & Nodal Officer for SLBC Tripura,** **Shri N. Ramesh, General Manager, NABARD, Sri Manas Dhar, General Manager, UBI and Convener, SLBC (Tripura),** attended the meeting. Besides, senior level representatives of Banks and other Govt. Departments also attended the meeting. A list of participants is enclosed.

At the outset **Sri Manas Dhar, General Manager, United Bank of India & Convener SLBC of Tripura** welcomed all the participants to the meeting and requested **Smt. Archana Bhargava, Chairperson & Managing Director, UBI** to deliver her key note address.

**Smt. Bhargava, CMD, UBI & Chairperson of SLBC Tripura** prior to delivering her welcome address greeted the Chief Secretary & Addl. Chief Secretary, Govt. of Tripura with flower bouquet and extended hearty welcome to all senior executives from Govt. of Tripura, RBI, NABARD and participants from all member Banks. **Smt. Bhargava** highlighted the following issues in his key note address.

- 1 Referring the meeting held on 11.06.2013 with the Hon'ble Chief Minister, Govt. of Tripura, just after assuming the office of CMD of United Bank of India, **Smt. Bhargava** declared that today in a short while Hon'ble Chief Minister, Govt. of Tripura would electronically inaugurate 10 branches with installation of 10 ATMs, as a fulfillment of her commitment made in the aforesaid first meeting. She also requested all concerned that responsibility of increasing network of branches in Tripura should not be left to UBI or SBI. All other member Banks operating in Tripura, should come forward and come up with their commitment to open more branches in the State to actively take part in the development process, since large areas were still to be covered. With opening 10 branches in a single day, which was unmatched so far, United Bank would increase its branch network from 54 branches to 64 branches.



- 2 She observed that usage of ATMs were found to be very low and installation of ATMs under OPEX model has to be made viable with at least daily 150 hits per ATM. Cash management, security aspects were also areas of concern. She requested the State Govt. to review the locations of the allocated ATMs, where sizeable transaction could be ensured, to make it a viable proposition for the Banks.
- 3 It is encouraging to note that the CD ratio of the State has increased to 39% from 34% as on March 2013 and 33% as on December 2012, thus registering y-o-y growth of 6%. Together we can achieve the targeted CD ratio of 40% as on March 2014 as desired by the Hon'ble Chief Minister of Tripura in his meeting with the top executives of Banks held on 11.06.2013 at Agartala, she asserted.
- 4 All the identified 1038 villages, irrespective of the population of more than & less than 2000, were covered either by Branch or BCA points and thereby achieved 100% coverage of financial inclusion in the State. 4,87,935 accounts have been rolled out by the Banks upto December 2013 in these villages.
- 5 Out of total 52 centres recommended by the State Government earlier, Brick & Mortar Branches have been opened in 47 centres. The concerned Banks (TGB & TSCB) were in advance stage of opening the branches in remaining 5 centres.  
Further, out of 82 new locations identified by the State Government, for opening Brick & mortar branch or USB, 9 branches and 32 USBs have been opened so far by the Banks.
- 6 Lot of things needs to be done in the small loan sector. 67637 Number of KCC issued by all Banks upto December 2013, against a target of 1 lac is far from satisfactory. Sm. Bhargava requested all Banks to join hands and accelerate the process of sanction & disbursement of KCC in the Ravi season to achieve the KCC target.
- 7 Under DBT, accounts have been opened for all the 43562 beneficiaries made available to the LDMs of 4 districts, thus 100% achievement obtained in respect of account opening. Out of 43562 nos. of beneficiaries, in 4 districts Aadhaar Number received and seeded in 32670 accounts, thereby registering 75% achievement in Aadhaar seeding. She urged all the member Banks to take proactive steps for Aadhaar seeding in fulfilling what DFS, Ministry of Finance, Govt. of India desired the Banks to do for implementation of DBT.
- 8 It is a matter of concern that the gross NPA has increased from 4.60% as on March 2012 to 6.04% as on December 2013. Amount in absolute terms had increased from Rs.177.78 crore as on March 2012 to Rs.331.12 crore at the end of Dec. 2013. The outstanding amount under Shadow Register was at Rs.242.56 crore which if added with the outstanding NPA, the amount of NPA would be Rs.573.68 crore which was 10% of gross advance and very alarming. Under such recovery environment, Banks would not able to recycle the funds and would not be in a position to lend further.



Smt. Bhargava requested the State Government to find a way out to help the Banks in recovery of dues which would go a long way in ensuring prosperity to the State.

9 With the appeal for help in recovery, she reassured that all Banks stand committed to make Tripura as one of the developed and progressive States in India.

**Shri S.K.Panda, Chief Secretary, Govt. of Tripura** in his address welcomed all the participants in the meeting. He specially welcomed and heartily thanked Sm. Archana Bhargava, CMD, United Bank for her unrelenting efforts and success in opening 10 new branches all at a time that day, in keeping her commitment to the Hon'ble Chief Minister within a short time. He assured to join hands with the Banks and to work together for the development of Tripura.

Sri Panda informed that the State took the pride in announcing achievement of 95.16% of literacy, which is the result of concerted efforts of the Govt. machineries for the past few years. Though there were number of constraints, the Govt. wanted each and every family to contribute in gross domestic products and for this the basic requirement is to make the institutional finance available to each family.

By now 75% of the adult population were having Bank account. Tripura Gramin Bank, which was having the largest branch network in the State should play a more important role. All nationalized banks/ commercial banks should come up to open branches, giving choice to the populace for banking facility to multiply income potentials.

Sri Panda also pointed out that the more branches/ ATMs would be viable if the Banks take a little bit of risk. Mentioning the success story of tribal block of Mandai, installation of ATM in remote area of Anandabazar by SBI and success of Lok Adalat in recent time, he emphasized on the need of the following aspects.

- (i) Each of every family should have at least two Bank accounts.
- (ii) In urban areas, branches be opened to meet commercial need.
- (iii) In rural areas, every 5 to 10 Gram Panchayats should have a Bank Branch. Initially USB could be opened which may be converted to Brick & Mortar Branch on attaining sustained viability.
- (iv) The Banks which have little presence in Tripura may open 2 to 3 new branches to make the State economically progressive.

The State has three tier strong Panchayat system. District Magistrates have been advised to locate suitable accommodation for bank branches. Govt. of Tripura would help in providing logistic support like premises, electricity etc and further Rajiv Gandhi Seva Kendras can be used to open USB. He also requested NABARD to explore the possibility to provide subsidy to the commercial Banks for opening branches in rural areas like RRBs.



Sri Panda also informed that State Govt. is collecting data for updating Register of Residents (ROR), incorporating, Aadhaar number, Bank account No. mobile number of the individuals for 3 months. This would facilitate speeding up Aadhaar seeding and implementation of DBT, for which the State Govt. is very keen.

He also emphasized that the Tripura Gramin Bank needs to gear up its capacity building. Induction of higher technology, net banking, introduction of alternative delivery channels etc should be operationalised in TGB and the sponsor Bank should take the responsibility of providing the solutions to TGB.

KCC Rupay Card should be issued to the fish farmers also, since fishery is one of the important activities in the State. Database of the water body would be provided by the Govt. to the Banks, to facilitate short term loans to the fish farmers. The performance of the Banks in allowing fishery loans needs to be monitored by the controlling offices of the Banks. He concluded that solution to all problems lies in working together and Govt. machinery is always ready to help out the Banks.

**Sri K.V.Satyanarayan, Addl. Chief Secretary** in his deliberations, highlighted that CD ratio may fall in the last quarter, as lot of deposit and in particular the Govt. deposits accumulates in the last quarter with the Banks. In order to guard against such a possibility, he suggested stretching the target for CD ratio to 45%, instead of 40% as on March 2014.

He also expressed that Agriculture Deptt could not complete door to door survey to prepare the database for the farmers, who were not yet covered by KCC by October, 2013. The exercise will be completed in February 2014. A little push was required for fishery loans, and the sponsored cases have to be disposed off within March 2014. He also mentioned that progress in PMEGP loans was also not encouraging.

Thereafter, with the permission of the Chair, Sri Manas Dhar, General Manager, UBI initiated Agenda wise discussion through Power Point presentation, the summary of which is produced below:

**Agenda 1: Confirmation of proceedings of the 107<sup>th</sup> SLBC meeting for Tripura held on 25.11.2013. :** Confirmed by the House.

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

**i. Banks to make efforts to achieve CD ratio of 40% for the State by 2014.-**

The CD ratio of the State has been increased to 39% as on Dec 2013, against 33% as on Dec 2012. YoY growth in CD ratio of the State has been registered at 6%. Different aspects of CD ratio was already discussed and noted by the House.

**ii. Banks are to expedite opening of brick & mortar branch/USB in 82 identified locations.**

Out of 82 identified locations, banks have so far opened 9 Nos. of brick & mortar branches and 32 nos. of USBs upto 31.12.2013.



### **Comment of Chief Secretary, GoT.**

Chief Secretary suggested forming a small Committee to relook into the locations for opening brick & mortar branches and or USB as well as the locations for installation of ATMs, to give a more pragmatic approach for establishment of branches & ATMs and its speedy implementation. Accordingly, a committee, comprising NABARD, RBI, UBI, SBI, UCO Bank and Director of Institutional Finance, Govt. of Tripura under the Chairmanship of the Chief Secretary was formed to review the entire gamut of the issue of branch opening and ATM at the selected locations. The committee has been urged to meet very shortly to finalise the views.

### **iii. TGB & TSCB should open the branches in remaining 6 identified centres allocated earlier.**

TGB has opened Chellagang Branch. Hmunpui Branch would be opened by TGB shortly. TSCB assured to open the remaining 4 branches by March 2014.

### **iv. Opening of 170 ATMs at the selected locations.**

So far SBI had opened 15 new ATMs and UBI had opened 22 new ATMs in the State. With the installation of 10 new ATMs this day, total Number of UBI ATM stood at 65 against its 64 branches in the State along with 135 ATMs of SBI.

### **Comment of Chief Secretary, GoT**

Chief Secretary pointed out that whatever technical capacity was available should be made available to TGB also. SBI should circulate a write up indicating their experience regarding their ATM installed at Anandabazar, so that other Banks can take a view.

### **Commented by C.M.D. United Bank of India:**

Installation of ATMs & Branches should be taken up by all the Banks, other Banks should come forward with their plan and the matter should not be left to United Bank only.

### **v. Seeding of Aadhaar number should continue side by side. Banks should take care to seed all the Aadhaar numbers meticulously received from Drop Box, Distt. Authority or from the beneficiary.**

All measures of publicity for Aadhaar number seeding has been adopted by the Banks. As on 31.12.2012 out of 43562 nos. of beneficiaries, in 4 districts Aadhaar Number received and seeded in 32670 accounts, thereby registering 75% seeding of Aadhaar.

### **vi. All eligible farmers should be covered under KCC. Per KCC credit should be increased as per new KCC scheme.**

Against a target of 1 lac fresh KCC to be issued, upto Dec 2013 fresh KCC have been issued to 67637 nos. of farmers amounting to Rs.180.21 crore. KCC renewed for 2640 nos. for Rs.5.31 crores. Banks were waiting to receive the list of uncovered farmers under KCC scheme from the Agriculture Department, Govt. of Tripura.



### **Comment of Chief Secretary, GoT :**

It was decided in the last SLBC meeting also that short term fishery loans would be covered under new KCC loan scheme, but the awareness in the field level is very poor, which resulted in poor performance in fishery loans by the Banks. He desired that a specific circular should be issued to all Banks by the SLBC, so that fishery loans are covered under the KCC scheme. He also stressed on the need that whoever has got cultivable land, must get one KCC. Sri Manas Dhar, convener SLBC informed that short term working capital for fishery would be available under KCC scheme, only interest subvention would not be available to the fish farmers unlike to other KCC loanees.

**Smt. Archana Bhargava, Chairperson & Managing Director, UBI** also requested the State Government to provide a list of farmers who are not covered by KCC, so that each & every farmer could be covered through KCC by the Banks.

### **iii. Recovery Camps should be organized by the Banks more frequently and administrative assistance should be taken for physical possession of charged assets of NPA borrowers.**

Recovery Camps were being organized by all Banks. Necessary FIR, PDR & SARFAESI initiatives are being taken for recovery of loans. Recovery as on Dec 2013 was as under :

Agri & Agri Allied :40%, MSME-44%, Other Prised -62%. Overall Recovery : 46%. Y-o-Y showing a negative growth by 2% from 48% as on December 2012 to 46% as on December 2013.

Additional Chief Secretary commented that Banks should approach the borrowers at the right time of harvesting, to make the recovery camps a grand success.

### **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 33 are covered by brick & Mortar branches and 586 are covered by Business Correspondents. House noted the achievement.

### **Agenda 4 : Implementation of Annual Credit Plan.**

House reviewed the overall achievement under ACP 2013-14 as on December 2013. Overall achievement under ACP is 87% of the target and achievement under Agriculture sector is 64%. 80% of the target under Priority Sector has been achieved, while achievement in non-priority sector is 130%.

Against an annual plan outlay of Rs.2320 crore, achievement upto December 13 stood at Rs.2026.15 crore.

### **Agenda 5 : Performance of Banks in Key areas in Tripura in the first quarter.**

The House reviewed the performance of the Banks upto December 2013 quarter. The overall advance in the State has witnessed y-o-y growth of 28% from Rs.4272 crore as on Dec 2012 to Rs.5472 crore as on Dec 2013. Similarly, y-o-y growth of 10% has been



registered in Deposits which stands at Rs.14202 crore as on Dec 2013, from Rs.12883 crore as on December 2012.

The House also noted the y-o-y growth of 14% in lending to Weaker Section, 11% growth in lending to SC borrowers, 16% growth in lending to ST borrowers, 14% growth in lending to Women Entrepreneurs, while 14% y-o-y growth was registered in lending to Minority Community.

#### **Agenda 6 : Recovery of Loans.**

The House reviewed sector-wise and also Government Sponsored Scheme wise recovery of loans. Overall recovery percentage in respect of three broad sectors, viz Agriculture, MSME and other Prised as on December 2013 stood at 46%, against the same at 48% as on Dec 2012. There was no sign of any improvement in recovery under Schematic lending. Recovery in SJSRY is 22%, SGSY is 14%, PMRY is 6%, PMEGP is 47%

#### **Agenda 7 : NPA Position of Banks in Tripura.**

Percentage of gross NPA increased from 4.60% as on March 2012 to 6.04% as on December 2013. Amount in absolute terms increased from Rs.251.92 crore as on March 2013 to Rs.331.12 crore at the end of Dec 2013. The outstanding amount under technically written off accounts was around Rs.242.56 crore, which if added with the outstanding NPA, the amount of NPA would be Rs.573.81 crores which is 10.48% of the gross advance and has become a matter of deep concern for the Bankers.

#### **Agenda 8 : CD ratio of the Banks in Tripura.**

Already discussed. Noted by the House.

#### **Agenda 9 : Flow of credit to Agricultural sector.**

Outstanding Advance to Agriculture of all Banks as on Dec 2013 was Rs.1305.68 crore which was 28% of the ANBC (National target is 18%). Status of KCC has already been discussed. Against a target of Rs.852.39 crore under ACP for 2013-14, disbursement in Agriculture sector as on Dec 2013 was Rs.548.35 crore which stood at 64% of the target.

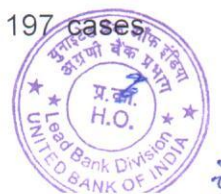
All Banks should take extra efforts for achievement of targets in Agriculture in the next quarter.

#### **Agenda 10 : Performance under Employment Generation Schemes.**

House noted the performance of the Banks and noted the progress on SGSY, Swavalamban, PMEGP, SJSRY Schemes. Against PMEGP, out of 3974 nos. of proposal sponsored, only 410 proposals have been sanctioned and 60 proposals have been disbursed, and such performance has been mentioned for taking immediate corrective actions by the Banks.

#### **Agenda 11: Financing Fishery Schemes.**

Out of 819 sponsored Fishery proposals, 256 proposals sanctioned, 54 rejected, keeping 509 proposals as pending. Out of sanctioned cases of 256, so far 197



have been disbursed with financial outlay of Rs. 1.08 crore. Director, Fisheries. Govt. of Tripura requested to complete the disbursement of fishery loan by April 2014 positively.

**Agenda : 12 Education Loan**

-Disbursement made during the year 2013-14 upto Dec 2013 was for 322 accounts involving an aggregate amount of Rs.4.15 crore. The outstanding balance in Education loan as on Dec 2013 is Rs.70.56 crore in 2688 accounts against a yearly target of Rs.69.85 crore as on March 2014.

**Agenda 13 : SME financing & bottleneck thereof.**

-Some of the problems faced by the entrepreneurs in the State have been discussed and the remedial measures also have been suggested, which was considered by the House.

**Agenda 14 : Timely submission of data by the member Banks.**

-In the context of RBI directives that the SLBC meetings were to be held within 45 days of the end of the quarter, all Banks were requested for timely submission of correct & accurate SLBC data.

**Agenda 15 : Other Important issues.**

-Regarding the payment of Govt. grants through electronic mode, already four districts in Tripura, viz, Tripura West, Tripura North, Khowai & Dhalai districts have been identified for DBT with effect from 1<sup>st</sup> July 2013. Although accounts have been opened in about 97% of the house hold, the Banks have to ensure that accounts are opened for each beneficiary under DBT.

**Agenda 16 : Government proposal for Branch expansion & ATM.**

-Already discussed and noted by the House.

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

- Banks to make concerted efforts to raise the CD ratio of the State at the level of 40% at the end of March 2014. Special thrust should be given to Agriculture, KCC, SHGs and MSME proposals in all the districts to achieve the targeted level of CD ratio by March 2014. All Banks should take effective steps from January itself to increase the CD ratio with a stretched target of 45%, so that last minute bulk deposits in March 2014 does not have any negative effect on the desired level of the CD ratio. **(Action: All Banks/SSC/DCC)**
- Banks were to expedite opening of brick & mortar branch/USB in 82 identified locations according to the allotment made by the SLBC and the process should be completed within the financial year. Also Banks should comply with the observations of the Small Committee to relook at the locations of Branches & ATMs. **(Action : All Banks)**



- TGB & TSCB should open the branches in remaining 5 identified centres allocated in 2009-10 and 2010-11 by March 2014 without any further delay. The selected locations are:  
TGB - Paschim Hmunpui,  
TSCB- Tuichindrai, Baganbazar, Bhatar Bazar & Tirthamukh. **(Action : TGB & TSCB)**
- As regard 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 this SLBC meeting. **(Action : All Banks)**
- Seeding of Aadhaar number should continue side by side. Banks should take care to seed all the Aadhaar numbers meticulously received from Drop Box/District Authorities or from the beneficiaries. In consultation with the District Administrations, LDMs should organize Camps for generation of Aadhaar Numbers. **(Action : All Banks/LDMs)**
- All eligible farmers should be covered under KCC. Per KCC credit should be increased as per new KCC scheme. All Banks should hold KCC disbursement Camps in each block regularly and the progress of KCC disbursement should be monitored in each DCC meetings in all the Districts. **(Action: Agri Deptt. GoT & All Banks)**
- Recovery Camps should be organized by the Banks, inviting Govt. officials, more frequently and administrative assistance should be taken for physical possession of charged asset of NPA borrowers. List of defaulting borrowers should be furnished to Panchayats, Agriculture Office and SDO Office with a request to help for recovery. **(Action : All Banks/Govt of Tripura)**
- All Banks should take proactive steps for holding state-wise Lok Adalat on a single day in Mid-February, covering all the districts including distance places through mobile Lok Adalat with wide publicity & serving of due notices to the defaulting NPA borrowers including shadow registers also.

**(Action : All Banks/Govt of Tripura )**

#### **Vote of Thanks**

Thereafter, Sri Manas Dhar, General Manager & Convener SLBC extended vote of Thanks to all the dignitaries present in the meeting. He also thanked all the participants for important contribution they have made in the deliberations. He specially thanked Sri A.K.Dogra, Dy. Secretary, DFS, Ministry of Finance and Nodal Officer for SLBC Tripura for his presence and valuable inputs to enrich the discussion. Obviously the main focus would be on increasing CD ratio, opening of bank branches in unbanked villages, installation of ATMs in DBT districts and desired growth in KCC, Agricultural Advance and Priority Sector Advances.

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