

**MINUTES OF ASSAM STATE LEVEL BANKERS' COMMITTEE MEETING FOR
MARCH 2024, HELD ON 11.06.2024, IN ASSAM ADMINISTRATIVE STAFF
COLLEGE, KHANAPARA, GUWAHATI**

Assam SLBC Meeting for March'24, was held on 11.06.2024 at Assam Administrative Staff College, Khanapara, Guwahati. The meeting was chaired by Dr.Ravi Kota, IAS, Chief Secretary, Assam and co-chaired by Shri Amaresh Kumar Jha, General Manager & SLBC Convenor. The Meeting was attended by the senior officials of RBI, NABARD, SIDBI, member Banks, LDMs (virtual Mode), line departments of Government of Assam and various other agencies.

All officials present in the meeting are placed in "Annexure-I".

Shri Joy Chandra Chakma, AGM, SLBC, on behalf of SLBC, welcomed all the participants of the meeting.

Shri Amaresh Kumar Jha, General Manager, SBI, in his opening remarks, commended the performance of the member Banks for achieving a healthy CD ratio and decent growth in priority sector advances. While he appreciated member banks for achieving 111% growth in ACP, he was critical of the underperforming Banks and requested their controllers to set the targets of the branches in line with ACP targets. He expressed his concern over the below par performance of the Banks under Shishu and Tarun category in PMMY. He also raised the issue of underperformance in 2nd tranche of PMSVANidhi and exhorted the house to take measures for ensuring achievement of allotted targets under PMSVANidhi. He expressed his concerns over poor PMFBY coverage in KCC scheme. He requested synergy between insurance companies and banks to achieve targets under PMFBY scheme. He discussed about e-Kisan Upaj Nidhi (eKUN) electronic platform and explained the salient features of the online platform. He sought support from Govt. of Assam in resolving the issues related to unavailability of land record data in some districts of the state of Assam.

Shri Nabin Kumar Roy, General Manager, appreciated the house for achieving targets under ACP. He requested Bankers to onboard in eKUN portal and utilize its benefits optimally. He informed the house that NABARD has entered into MoU at National level with NRLM for supporting SHG finance. He further added that NABARD has extended support to NBFCs and Small Finance Banks for JLG financing. He urged the house to finance solar powered units under decentralized

with Cooperatives and Cooperation Department to set up the ATMs. He also asked banks to bestow attention towards providing scholarships to students going abroad. He further requested Banks to provide short term lendings to Tea estates and and explore financial innovation in terms of entrepreneurship funding, impact funding, angel funding, etc. for entrepreneurs.

Smt. Aruna Rajoria, IAS, Commissioner & Secretary, Agriculture Department, suggested the house that a possible solution for improving Bank finance in KCC is by way of lending to FPOs as Banks are more comfortable while lending to FPOs in order to avoid NPAs. She urged the house to explore formation of a digital data exchange containing details of farmers and their land records that would facilitate hassle-free lending to farmers. She urged member banks to extend financial support to entrepreneurs who would develop such a data exchange on pilot basis to test its effectiveness. She briefed the house about the challenges faced by the state in building quality warehouse storage facilities. She also addressed the house regarding challenges faced by the member Banks in ensuring wide coverage under PMFBY and urged Bankers to drive the same. She informed that sub-section 17 point 5 of the Pradhan Mantri Fasal Bima Yojana states out that the Banks must ensure that they debit farmers' premium next day after the cut-off date of opting out of loanee farmers failing which banks will be liable to meet the claim liabilities of uncovered eligible farmers. She flagged her concerns regarding the delay in credit of insurance premiums under PMFBY in the account of concerned insurance companies.

Dr. Ravi Kota, IAS, Chief Secretary, Assam, addressed by thanking SLBC convener for arranging the SLBC meeting. He raised his concern regarding non-participation from member Banks and State Government Departments. He encouraged Banks to devise methods for improvement of ACP in the state of Assam. He appreciated the improvement in CD ratio but expressed his concerns regarding below par CD ratio in 10 districts of state of Assam. While he appreciated the achievement of ACP targets, but he pointed out that the bulk of finance happened in MSMEs while other priority sectors like agriculture finance was not up to desired expectations. He urged member Banks to come up with strategies for improving finance under agriculture and other priority sector lending areas apart from MSME finance to boost inclusive growth in the state of Assam. He addressed the concerns of Banks regarding unavailability of land record data because of implementation of Mission Vasundhara and hoped that Mission Vasundhara 3.0 would be completed by end of August'24. He informed the house

that Principal Secretary, Revenue & Disaster Department had been instructed to expedite the transition to Mission Vasundhara 3.0 in order to support member Banks. He informed the house regarding his discussion with Associated Tea & Agro Management Services Pvt. Limited, an entity which is working in the financial linkages in the market and a report submitted by them highlighting the issue of improving financial linkage with small and marginal farmers and financially excluded population. He suggested Banks to develop financial products to increase financial linkages with the financially excluded groups. He suggested NABARD to look into ways of roping in Agriculture finance corporation limited as an agency for helping in improvement of priority sector lending towards agriculture in the state of Assam. He reiterated the need to improve coverage of KCC loans under PMFBY and expressed his disappointment with the performance of Banks in PMFBY. He impressed upon the Banks to extend KCC finance to PM Kisan beneficiaries. He exhorted the Banks to encourage lending under various State Govt schemes which are sponsored by the Government of Assam. He suggested the house to conduct a special SLBC meeting to explore ways to promote various state sponsored schemes by extending support to entrepreneurs who could benefit from these schemes. He asked house to have a meaningful discussion and come out with some innovative plans to ensure achievement of ACP and PSL targets in the current financial year by all member banks. He further suggested for reviving KCC and inclusion of all farmers under PMFBY as per Government of India Guidelines.

The house adopted the minutes of State Level Bankers' Committee meeting for combined quarters of Sep'23 & Dec'23 held on 20.03.2024 with the addendum of the minutes.

AGENDA PRESENTATION:

Shri Joy Chandra Chakma, AGM, SLBC, Assam, presented the agenda of the meeting. Some of the notable observations made in the deliberation are given below:

REVIEW OF CREDIT DEPOSIT RATIO:

Principal Secretary, Cooperation Department suggested that there should be an incentive structure for promoting a high CD ratio among the Banks. He was informed that RBI already has such a scheme in place and the house was briefed about the scheme. The Concern was flagged in the house about the unsatisfactory performance of the Banks and districts with CD ratio below 50%. While discussing

MEMORANDUM RECEIVED FROM ASSOCIATED TEA & AGRO

SLBC informed the house that few suggestions were received from Hon'ble Chief Minister's office like Line Departments should handhold borrowers to help them, prepare proper proposal as per Bankers' requirements and Scheme guidelines.

- Assurance shall be taken from Banks to focus on Priority Sector Lending Schemes.
- Association with AFC India Ltd (a Deemed Govt Co. under Section 139(5) and 139(7) of the Companies Act, 2013 and owned by NABARD, EXIM Bank and Commercial banks) may be explored to provide consultancy support for better implementation of these schemes.
- Cluster approach may be adopted for Micro Food Processing Units to follow a uniform DPR in a District for a similar proposal, thereby ensuring faster DPR appraisals and approvals.

GM, SBI exhorted the house to make sincere efforts to honor the suggestions from the Chief Minister's office. Principal Secretary, Cooperation Department asserted that Tea plantation in Assam plays an important role in the financial health of the state and asked the Banks to provide financial assistance to the Tea Gardens which are facing financial stress.

(Action point: All Member Banks)

INITIATIVES BY SIDBI UNDER MSME SECTOR:

DGM, SIDBI asserted that the credit counsellors had failed to tackle the main two hurdles in MSME finance i.e. sourcing quality proposals and handholding of entrepreneurs. Hence, they had been discontinued and Swavalamban Connect Kendra (SCKs) had been put in place wherein whole-time officers would hand-hold the entrepreneurs. In Assam, SCK would be introduced with the help of Government of Assam during the current financial year. SIDBI is also launching MEPP i.e. Micro enterprise promotion programme to support entrepreneurs which would work as an entrepreneur incubation centers. He informed the house that programme has been successful in Barpeta and new programmes are under process in districts like Hailakandi and Dibrugarh. GM, SBI suggested SIDBI to provide contacts of the key persons of the Professional management network who are running these MEPP programmes to the commercial Banks so that hassle-free finance may be extended to support the entrepreneurs.

In order to register MSMEs and bring them into formal credit system, SIDBI launched Udyog Assist platform at the behest of Govt. of India. In Assam, the Udyog Assist platform has become operational since Jan'23. The house was informed that SIDBI has a tie-up with Govt. of Assam to motivate bankers to