

MINUTES OF THE STATE LEVEL BANKERS' COMMITTEE MEETING, ASSAM,
FOR DECEMBER 2018 QUARTER, HELD ON 27.03.2019 AT ASSAM
ADMINISTRATIVE STAFF COLLEGE, KHANAPARA, GUWAHATI

The State Level Bankers' Committee Assam met for the quarter ended December, 2018, on the 27th March, 2019 in the Administrative Staff Training College, Khanapara, Guwahati.

The meeting was attended by the senior officials of RBI, NABARD, Banks, Financial Institutions and Govt. line departments

The following dignitaries were present in the meeting-

1. Shri Rajiv Kumar Bora, IAS, Additional Chief Secretary, Department of Finance, Govt. of Assam - Co-Chairman, SLBC
2. Shri Ramesh Babu, DMD, Chief Operating Officer, Corporate Centre, SBI, Mumbai- Co-Chairman, SLBC
3. Shri Sunil Kumar Tandon, Chief General Manager (CGM), SBI NE Circle Guwahati.
4. Shri Ravi Capoor IAS, Addl Chief Secretary, Dept. of Com & Industry, Govt. of Assam
5. Shri Shyam Jagannathan IAS, Comissioner and Secretary (Finance), Govt. of Assam
6. Shri Puru Gupta IAS, Commissioner (Industries), Govt. of Assam (Govt. of Assam)
7. Shri Ajay Kumar Singh, General Manager (GM) NW-1, SBI, LHO, Guwahati.
8. Shri O. P. Dhoundiyal, General Manager, NABARD.
9. Shri Umesh J Panaria, DGM (RBI), Guwahati

Mr. Sunil Kumar Tandon, CGM, SBI, greeted the Guests and participants in the meeting. He started by apprising the house about the present status of the Banking profile of the state:- 36 number of banks operating

in Assam, with 3,335 bank branches, out of which AGVB is 414 and SBI is 366 plus 6300 Customer Service Outlets, wherein 50% is from SBI .

He appreciated Govt. of Assam's recent innovative and futuristic Agriculture Debt Relief (ADR) scheme which greatly incentivises those farmers with regular repayment history. He stated that in a span of last one and half month, more than 64,000 farmers have been covered under this scheme. He requested the Govt. of Assam for extension of deadline beyond 31st March, 2019 for subsidy claim as the awareness is still spreading among the farmers across the state.

He also appreciated Swami Vivekananda Assam Youth Empowerment Yojana (SVAYEM) scheme in which around 17,000 loans have been sanctioned notwithstanding the slow disbursals.

He stated that CD Ratio for the state at 52%, a steady improvement over the earlier quarters, which is however still short of RBI-mandated 60%.

He informed the house that various Sub-Committees on different parameters along with Steering Committee conducted their meeting on 18th March, 2019 and finalised the Agenda of this SLBC Meeting. He expressed his hope for a fruitful outcome of this SLBC meeting.

Mr. Ramesh Babu, DMD, Chief Operating Officer, Corporate Centre, SBI, Mumbai, who is the co-chairman of the meeting, in his keynote address, lauded the recent schemes launched by the govt of Assam for Agriculture Debt Relief and SVAYEM. He appreciated the achievements under the schemes.

He observed that advances level in the State has grown by 1544 crores during December quarter resulting in CD ratio of 52.40%. He also appreciated that there is an upward movement of Banks in CD ratio bracket "above 40%". It has increased from 18 banks in Sept, 2018 to 24 banks in this quarter.

He noticed that in Assam, the priority sector loans constitute 62% of total advances, which is much above the benchmark of 40%. During Financial Year 2018-19, the Banks could achieve 58% of the ACP target. He expressed that except for the Agricultural sector, all the targets have been met. He was hopeful that the Agri. Debt Relief scheme will also help in credit growth in Agri. segment.

He suggested that emphasis should be given on input & demand side of agriculture e.g by promotion of agro-based activities, animal husbandry, ancillary activities and also by focussing on cluster-wise approach, forward-backward linkages in production chain to help in doubling the farmer's income by 2022.

He also appreciated that all the villages identified by RBI and DFS are covered.

As a part of SLBC Convenor, he emphasised that the importance should be given on a) timely receipt of data, and b) quality of data with consistencies.

Shri Rajiv Kumar Bora, IAS, Additional Chief Secretary, Govt. of Assam, in his address, acknowledged and appreciated the progress made by the Banks and also for being a part in various government schemes like Assam Farmer Credit Subsidy Scheme, Assam Farmers Incentive Relief Scheme, Assam Farmers' Incentive Scheme, SVAYEM and the Govt sponsored schemes which have been especially designed to bring in better credit culture not only in agricultural sector but also in banking sector.

He acknowledged that in Financial Inclusion, the target has been more or less achieved especially in Aspirational districts. He stated that even though there is an overall progress in CD Ratio in the State, there are few banks below 40% CDR and asked them to explore the ways and means to

improve the credit linkages. In areas of agricultural sector, he was happy to note that importance has been given for doubling of farmer's income.

He however insisted Banks to find out districts, blocks and villages with higher potentials in agri & allied activities so that larger development for Govt. of Assam is achieved.

AGENDA PRESENTATION BY Mr. Ajay Kumar Singh, GM NW-1, SBI AND DISCUSSION THEREON

- He requested the house to adopt the minutes of the last SLBC meeting held on 26th November, 2018.

The Action Taken Reports of last SLBC were discussed and accepted.

- In response to a request for the SLBC to ensure a timeline for processing loan applications for Government schemes the CGM, SBI suggested that all the relevant circulars from RBI and Government for such schemes may be linked by SLBC.

(Action point- SLBC and the Concerned Departments)

- Responding to NABARD information on the common format for KCC by IBA, CGM, SBI advised to collect the same and make it available in the SLBC portal. He also informed the House that the decision for adoption of such format rests on individual Banks.

(Action points- SLBC, NABARD and all the Banks)

The CD Ratio in December, 2018 Quarter is a 52.40%. However, it is below the National bench mark of 60%. So, those under-performing Banks need to improve. The Adl. Fin. Secy. proposed for a separate meeting for such Banks on plans to improve their CD Ratio.

(Action point- KMB, ANB, PSB, SYN, UCO, UNI, YES, SIB, CBI, IDBI, VIJAYA & FEDERAL)

- Shri Ravi Kapoor, Addl. Chief Secretary, Dept. of Com & Industry, Govt. of Assam, asked the Banks to utilise the potential of SVAYEM with the subsidy as well credit guarantee which can greatly help one's CD Ratio.

- The State Government has observed very poor sanction and disbursement of loans under SVAYEM. The Additional Secretary, Industries & Commerce mentioned this as one of the most lucrative programmes in the priority sector where the exposure of the scheme is only limited to 55%, while the rest comes from the State Government and margin money. In spite of this being a flagship programme of the State Government, banks' response has not been supportive of the scheme. This is a serious matter and the Hon'ble Chief Minister has expressed serious concern about the slow movement of this scheme. Banks are therefore, requested to act immediately as this is an ideal case for priority sector lending.
- The CGM raised the question to Bandhan Bank and other Private Sector Banks for not giving subsidy-based loans like PMEGP, despite there is clear guideline from RBI on fulfilling social obligation.

(Action Point- Bandhan Bank and other Private Sector Banks)

- Additional Chief Secretary warned the Banks with CD Ratio less than 50% to be aware of the support of government funds unless they improve focus on sanctioning new loans to the public.
- There are 6 Districts with C.D. Ratio below 40%. The issue needs to be taken up in the DCC/DLRC meetings as these areas are being monitored by NITI AAYOG and PMO.

(Action Point-DCs of Hailakhandi, Karimganj, Kokrajhar, Dimahasao, Hojai, South Salmara Dist.)

- In ACP performance during the Year, it marked a growth of 57.91%. Agriculture sector with 29.88%, MSME with 143% and Other priority sector at 56.42%. The more focus should be given on Agriculture.

Concern over poor performance in Agriculture Sector:

- Responding to the observation of GM, NABARD that, there is weak performance in KCC and the reason being inadequate information with farmers even after camps by SBI and other Banks, the Additional Chief Secretary suggested for arranging a meeting with

SLBC, NABARD and few key bankers to sort out the issue over weak performances in Agri. and allied activities, within April, 2019 and submit a report before May, 2019 to the Finance Department, Govt. of Assam for review.

(Action point- Agri. Dept, Govt. of Assam)

- GM, SBI suggested that, in addition to continuous land digitisation process if Govt. can issue instructions to the Districts to update the land receipts to enable the farmers to get fresh loans.

(ACTION POINT- Finance Department Govt. of Assam)

- Addl. Chief Secretary suggested that installation of drip irrigation can have multiplier effect in different areas of economy. Zonal Manager, BOI also suggested for lendings like dairy, fishery and poultry, suitable for the State may be explored for financing.
- MSME Sector, the negative growth of IOB (215 Crs.) and Union Bank of India (52 Crs.) in last quarter has impacted the growth level in the MSME Sector. The Banks were advised to look into.
- 15 banks have submitted the contact details and name of the nodal officer to Industries Department, to be displayed in the portal www.industriesassam@nic.in, with a copy to SLBC. Industry Department is requested to upload the names of the Nodal officers submitted by the banks in the portal. It was decided that the remaining banks have to submit the contact details and name of the nodal officer to Industries Department, by 10th April, 2019.

(Action Points- Remaining Banks)

- And the workshops and sensitisation programmes for online application for various MSME and Govt. schemes are to be arranged at district level for LDMs/ Entrepreneurs/ Branches by MSME department. However, there has been no much improvement in this regard.

(Action point- MSME Department & Dept. of Industries, Govt. of Assam)

- In Prime Minister Mudra Yojana, despite visible growth in Dec quarter over the March figure, It is observed that Banks like Dena

bank, Axis, Bandhan, KBL, KMB, SIB and YES Bank have reported Nil figures in the portal which has impacted the growth level in the Prime Minister Mudra Yojana. The Banks were advised to improve.

- **PMEGP**- Addl. Chief Secretary, Dept. of Com & Industry of Govt. of Assam, expressed displeasure on dismal performances in PMEGP despite his efforts in form of frequent meetings and discussions. In terms of disbursed money is only 18%, which is a not up to mark. He suggested for mentioning the reasons for rejection of PMEGP applications to the Applicant. He asked the house to take up SVAYEM & PMEGP seriously.
- ASSAM FARMERS' SUBSIDY SCHEME- Government of Assam has launched 3 farmers' incentive schemes on 28th January, 2019 for incentivising the farmers and to expand the institutional credit flow to agriculture. GM, SBI requested all Banks to submit Utilisation Certificate for these schemes. **(Action point- All Banks)**
- In Financial Inclusion initiatives, 2 villages with population above 5000 are covered during Dec,2018, thereby completing the target. There were 2 villages with population less than 2000 left out as on Dec,2018. One village is Bandardubi in Nagaon district and another village named Dhal No. 1 Chapori under Kadam Block in Lakhimpur district, those could not be identified as reported by the LDM. The house decided to consider that all the villages were covered.
- Shri Rajiv Kumar Bora pointed out there are new habitations which emerges in every census and should be targeted subsequently. This is all the more so because Govt. of Assam is going to launch Adharsh Gram Yojana.
- CGM, SBI pointed out that there is delay in registering Bakijai cases in many districts, which needs prompt action from the District authorities. **(Action Point- Finance Dept. Govt. of Assam)**
- ASRLM informed that they haven't yet received the details on non-NRLM-SHG NPAs. **(Action Points- All Banks and SLBC)**

- CGM, SBI suggested that as the CSPs having expanded beyond their peripheral role, are required to be provided with good connectivity to allow smooth functioning in nook and corner of the state. It will decongest the branches' workload. In absence of connectivity, every infrastructure becomes non-functional.
- India Post payment Bank pointed out that connectivity issue is standing in the way of CBS enabled facilities through the Post Office Branches, especially in rural areas. Hence intervention by BSNL is required.
- GM, NABARD pointed out that revolving fund of Rs. 6 Crores in dairy and poultry venture capital scheme has not been returned by 5 Banks. Those banks are UBI, SBI, UCO, CBI and ALB.

(Action point- SBI, UBI, UCO, CBI and ALB)

- NABARD in its promotion presentation of Bamboo and Bee-keeping value-chain, highlighted the benefits of business- ecosystem in and around bamboo and bee centric allied activities and talked about having opened multiple channels for Banks' credit flow and support whereas grant component would be taken care of by them.
- National Honey Mission programme - The representative from Horticulture Department talked about scarcity of live bee colonies that can be dealt with by setting up of bee multiplication centres.
- Ghare Ghare Pukhri Ghare Ghare Mach scheme - The officials from Fishery Dept. highlighted the prospects on this scheme. Total project outlay for the State is 105 Crs. 95% of the funding is from NABARD under RIDF-23 Scheme. The sharing is in the ratio of 70:30, 30 from the beneficiaries, 70% shall be provided from the grant of RIDF-23. It was suggested that the circulars on this scheme is circulated to all the Banks.

Sri Satyabrata Mishra, AGM,SBI, SLBC Assam concluded the meeting with vote of thanks.