

STATE LEVEL BANKERS' COMMITTEE, ASSAM
MINUTES OF THE MEETING FOR THE QUARTER ENDED MARCH, 2018
HELD ON 18.07.2018 AT AUDITORIUM HALL, NEDFI HOUSE, DISPUR, GUWAHATI

The State Level Bankers' Committee Assam met for the quarter ended March, 2018 on the 18th July, 2018 in the Auditorium Hall of NEDFI House, Dispur, Guwahati under the chairmanship of Shri V. B. Pyarelal, Additional Chief Secretary, Department of Finance, Govt. of Assam in the chair. The meeting was attended by the senior officials of RBI, NABARD, Banks, Financial Institutions and Govt. line departments

➤ Sri Ajay Kumar Singh, General Manager, Net Work-I, State Bank of India, N.E.Circle, in his opening address welcomed Sri Pyarelal, Additional Chief Secretary, Finance, GoA, Sri B.K. Mishra, Regional Director RBI, Sri Ashotosh Agnihotri, Commissioner & Secretary, Transport and Industries & Commerce, Sri Shyam Jagannathan, Commissioner & Secretary, Finance, officials from NABARD, and member Banks, to the SLBC, Assam meeting for the quarter ended March, 2018.

- He stated that March being the end of the Financial Year, the meeting is important for review of the performance for the entire year 2017-18. He congratulated all the Bankers for the performance during the year and for achieving the target under Annual Credit Plan.

- He apprised the house that, all Banks have directly contributed for the various Programmes launched by the Govt. of India and owing to the social obligations; Banks are supposed to be linked to all the programmes designed for the development of the individuals as well as the State.

- In the state of Assam, there are 34 Banks and 2355 Branches. As on 31st March, 2018, the total Advances in the Banking Sector was Rs. 67,938 Crores and CD Ratio was 50%. The Priority Sector Advances constitutes 38,955 Crores and around 57% of the total advances which is well above the bench mark of 40%. Against the total outlay of 19,440 Crores under Annual Credit Plan, the overall achievement was Rs. 22,464 Crores, which is 116% of the target. This achievement of Priority Sector is well diversified into all three broad sectors, Agriculture, SME and Services. In the SME segment, where the employment generation scope is there, the growth was 277%. At the same time, Banks are working for the promotion of certain schemes like Pradhan Mantri MUDRA Yojana (PMMY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY). Atal Pension Yojana (APY), etc for all inclusive financial growth of the State.

- Currently, the Gram Swaraj Abhiyan Scheme is going on and all Banks are putting their best to achieve the target. There are issues in the remote centres, so Bankers may find it difficult to upload the data, but at the same time, they should see that somehow the data is uploaded, so that the performance can be reflected at the national level. So far the performance in GSA scheme in Assam is not very encouraging, it is around 32% only. So all the Banks need to give the best to perform better.

- As per directives of RBI, the banks have conducted total of 2619 Financial Literacy Camps during the last Financial Year.

- Under RSETI, 79,812 individuals have been trained and 23,347 persons have been provided credit facilities.

➤ Sri Shyam Jagannathan, Commissioner & Secretary, Finance, Govt. of Assam highlighted on the Extended Gram Swaraj Abhiyan Scheme. He expressed concern on the Agricultural Sector Credit Extension. He requested the official from NABARD to highlight the issue. There are four (4) specific Budget announcements in the State Govt, essentially related to Credit Extension to Agricultural Sector.

- He requested SLBC to standardise parameters so that Banks with lower CD Ratio, lesser Priority Sector Advances in the rural areas do not take over the lions share of Government funds.

➤ The committee thereafter proceeded with the discussion of the Agenda items.

➤ **Adoption of Minutes**

- Sri Satyabrata Mishra, AGM (LB&RRB), SBI, LHO, Guwahati informed the house that since no request for any amendments had come up in respect of the minutes of the last SLBC meeting held on 03.05.2018, the house took it as accepted and agreed to this effect.
- The Additional Chief Secretary, Department of Finance, GoA, advised that invitation for SLBC meeting through mail or letter should go to the invitees at least 7 days before the meeting and the Action Taken Report of the previous meeting should be included again in the Agenda.
- The Regional Director (RD), RBI, Shri B.K Mishra advised that the SLBC Convenor take necessary action on the items indicated in the guidelines on Revamping of the Lead Bank Scheme issued on April 6, 2018 at the earliest. Further, he observed that the minutes and agenda were not circulated well in advance. He therefore suggested that SLBC Convenor should inform the participants through an email as and when the minutes / agenda are posted on the SLBC website.

➤ **Progress of Financial Inclusion:**

a) Out of 2.90 Crores Operative Savings Bank Accounts, there are 1.42 Crores PMJDY Accounts. Banks have also issued 1.01 Crores Rupay Cards till March, 2018.

- Sri Pyarelal expressed his concern that during the Extended Gram Swaraj Abhiyan the performance of the state has been seen to be not up to the mark. He requested all Banks to put their heart and soul to achieve the target.

- The General Manager, SBI informed that Bankers are going to the individual villages. Even SBI Chief General Manager also went to one district and stayed overnight and visited the villages. He also informed that one letter had been sent to the State Govt. requesting for man-power support from the local administration.

- Sri Pyarelal has given assurance for all support from the Govt.

b) The AGM, LB&RRB said that 6.05 lacs PMMY accounts have been opened with the amount of Rs. 3.44 lacs under PMMY Scheme. He informed the house that some Banks like Indian Overseas Bank, Punjab National Bank, Syndicate Bank, Corporation Bank, etc. did not show any achievement in the Portal.

- The Addl. Chief Secretary advised that from the next SLBC onward Banks have to upload each and every field on the SLBC portal.

- The AGM, Lead Bank informed that from June, 2018 quarter onward the SLBC portal has been redesigned and the responsibility of data uploading has been assigned to the Banks.

➤ **REVIEW OF FINANCIAL INCLUSION INITIATIVES, EXPANSION OF BANKING NETWORK AND FINANCIAL LITERACY :-**

The AGM, Lead Bank stated that there are 965 villages with a population of below 2000 and 11 villages with a population above 5000 are yet to be cover under Financial Inclusion.

➤ **Review of inclusion of Financial Education in the School Curriculum, financial literacy initiatives by banks (particularly digital financial literacy)**

Sri Sribus Sen, Director, FLC informed the house that last year as per the instructions of DFS and NABARD, Financial Literacy Training have been conducted in 600 schools in 9 districts all across the state. The topic of the training was basic Banking, followed by the classroom session of the students and quiz competition. The students were very much interested in the Banking topic. He suggested to include basic Banking as a subject from the grass root level in the school. The higher class students were very much interested in Digital Banking and they requested for more such programme in future.

➤ **REVIEW OF CREDIT DISBURSEMENT OF BANKS:**

a) There was positive growth under Priority Sector Advances to the extent of Rs. 5773 Crores over March, 2017 and the YoY growth percentage is 17.40%.

- Under Agriculture Advances, total Crop Loan was 43.51% and Term Loan was 56.49%.
- The total achievement under Annual Credit Plan was 116% in the FY 2017- 18 as against 101% in the FY 2016- 17.
- Under Agriculture Advances, the Crop Loan was Rs. 1460 Crores and Term Loan was Rs.6131 Crores during the FY 2017- 18.
- Mr. O. P. Dhoundiyal, General Manager, NABARD stated that the crop loans issued in the state were less despite NABARD having the information that around 9 lakh households had still not been issued KCC.
- The DGM, RBI Shri. Umesh J Panaria indicated that the problem could partly be due to tenant farmers who may not get loans as they do not have land holdings.
- The RD suggested that a sub-committee may be formed by the SLBC to look into the issue raised by NABARD and for discussing the flow of credit under KCC, especially to tenant farmers.
- NABARD official raised the issue of very low credit flow to short term agriculture and reiterated the need for enhancing the agricultural credit in general and short term credit in particular.
- Sri Ashotosh Agnihotri, Commissioner and Secretary, Transport, Industry and Commerce, said that there should be sub- groups in each of the Segments under Priority Sector for proper analysis to find out the cause of low achievement and also to find out the solution to improve it.
- Under PMEGP the achievement was only 2003 against the target of 6386, and the rejection was 7575. He requested Banks to come forward by organising awareness camps for giving guidance to fill up and process the forms so that the number of rejections would be less and it would help to achieve the target

b) i) Under the NRLM Scheme, only 14584 applications have been received against the target of 31152.

- The Additional Chief Secretary asked ASRLM to apprise the house, But any official from the ASRLM Department was attended the meeting. He expressed his displeasure and advised SLBC to send letter to attend the meeting regularly.

ii) Under the NULM Scheme, the achievement was poor against the target in every segments – Individual, Group and SHG during the year.

c) The YoY growth percentage under MSME Sector was 33%.

- Sri Agnihotri said that MSME Sector is the most important sector because it has the maximum potentiality for employment generation. He requested Banks to support the MSME sector.

d) **KCC** :- Under KCC 349362 Cards have been issued against the target of 710800 during the last Financial Year.

- NABARD raised the issue of shortfall in the KCC issuance and informed the house that NABARD is planning a campaign for universal coverage of KCC in the state in coordination with GoA, and urged bankers to ensure success of the campaign.

e) **SHG Credit Linkage** :- The achievement under SHG scheme was 28313 numbers with an amount of Rs. 2.91 Crores against the target of 60000 numbers.

- NABARD raised concern on poor achievement under the scheme, which was only 47% of the target allotted.

➤ **RSETIs** - Sri Sarat Kalita, State Director, RSETI stated that out of 26 RSETIs in Assam, AGVB is having 5 RSETIs, UCO Bank- 6, SBI- 5, UBI- 8, CBI-1 and one RUDSETI in Nagaon. Last year, as a whole, all the RSETIs achieved 102% in terms of training of candidates for different types of activities on Skill development and self employment. However the settlement rate was 59% and credit linkage was 52%, which was poor in comparison to the national data. In some of the districts, like Chirrang, Dima Hasao, Udalguri, Karbi Anglong, the credit linkage was very poor. There is a need for improvement of the same.

SVAYEM – The Deputy Secretary, Department of Industries & Commerce, GoA spoke on the scheme, SVAYEM. The scheme was launched in February, 2017 for giving the self employment opportunities to the unemployed youth of both rural and urban areas. The target group is one lac youth across the state. The activities will be basically manufacturing and service sector. There is a negative list of activities like manufacturing of intoxicant items like Beedi, Pan Masala, Cigarette, etc and sales outlet of liquor and Plastic Bags below 40 Micrones as per Supreme Court instructions. The State Govt. Has already started to collect the applications and the last date of submission of the applications is 11th August, 2018. He read out the salient features of the scheme and appealed the Banks to promote the scheme.

➤ **Doubling of Farmers' income** :- Under the agenda, Mr. Dhoundiyal, General Manager, NABARD has highlighted the following points :

- GoA has launched a scheme of financing 1 lakh tubewells in the state with a total financial out lay of Rs. 1099 Crores. NABARD has sanction Rs. 691 Crores from RIDF to the Government to support this project. The project is expected to increase the cropping intensity and credit demand for loans required to enhance farmers' income.

- Universal coverage under KCC, increase in the credit flow under crop loans and allied agriculture term loans required to enhance farmers' income.

- Financing under JLG mode for the tenant farmers or where land records were not clear.

- NABARD's experience in implementing the Doubling of Farmers' income project in Goalpara indicate that the exploitation of existing potential for income enhancement requires timely and adequate floe on bank credit.

- The Area Development Scheme (ADS) prepared by NABARD for all the districts may be used for increasing agricultural credit.

➤ **E – SHAKTI PROJECT :-**

NABARD official highlighted on one new project “E- Shakti”. The project is implementing only in Nalbari district in the state of Assam. The objective is to digitize all the transactions of SHGs. All the formalities will be in digital form, so that Banks can take the credit decision from the Branch premises without going to the field. All Branches have been provided ID and Password. Total 7314 SHGs already digitized under E- Shakti in Nalbari district.

➤ DGM, FIDD, RBI briefly apprised the House about the revised instructions on the Lead Bank Scheme.

➤ The Additional Chief Secretary stated that Govt. of India has listed 117 Aspirational Districts in India, out of which 7 districts are in Assam including Baksa, Barpeta, Darrang, Dhubri, Goalpara, Hailakandi and Udalguri. He requested all the Banks to put their maximum effort to achieve the target. The Hon’ble Prime Minister personally monitoring the issue personally.

➤ The meeting ended with a Vote of Thanks by Mrs. Anjali T. Lyndem, Deputy General Manager, FI & MF, SBI, LHO, Guwahati.

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