

STATE LEVEL BANKERS' COMMITTEE, ASSAM
MINUTES OF THE MEETING FOR THE QUARTER ENDED JUNE, 2014 HELD AT
ASSAM ADMINISTRATIVE STAFF COLLEGE, KHANAPARA, ON 29-09-2014

The State Level Bankers' Committee meeting for the state of Assam for the quarter ended June, 2014 was held on 29th September, 2014 in the conference hall of Assam Administrative Staff College, Khanapara, Guwahati with Shri J. Khosla, IAS, Chief Secretary, Govt. of Assam in the chair and Hon'ble Shri Nilamoni Sen Deka, Minister of Agriculture, Govt. of Assam was the Chief Guest. The meeting was attended by other senior officials of RBI, NABARD, Banks, Financial Institutions and Government Departments. The list of participants is enclosed.

At the outset, Shri I.S.Pongener, DGM, SBI greeted all the participants on behalf of the convener bank with a warm welcome and requested all to have a very meaningful discussion. Shri Pongener then requested Shri M.A.Sahu, General Manager(NW-1), SBI to deliver his inaugural address, on behalf of the Convenor Bank.

2. Shri M.A.Sahu, General Manager, SBI, in his opening address welcomed Hon'ble Shri Nilamoni Sen Deka, Minister of Agriculture, Govt. of Assam, Shri J. Khosla, Chief Secretary, Govt of Assam, Shri Gulab Singh, Deputy Secretary, DFS, MoF, New Delhi and all other dignitaries present in the meeting and hoped that the deliberations would give impetus to efforts of the banks to reach targets.

As desired by Chairman, the meeting commenced with a review of the performance under the Agriculture segment. The Agricultural advances at the end of the quarter of June, 2014, stood at Rs.7219 crores which was 19.31% of aggregate bank credit in the state as against benchmark of 18%. Crop loans and Term Loans in the segment were as under:

Crop loans	Rs. 3184 crores	(44% of total agri advances)
Term loans	Rs. 4035 crores	(56% of total agri advances)

New loans disbursed during the quarter were as follows:

Crop loans	Rs. 154 crores
Term loans	Rs. 170 crores

The Chairman observed that 18% bench mark for Agriculture finance is the minimum bench mark. In Assam, where 85% of the population are involved in and are dependant on agriculture, 19.31% credit flow to Agriculture was low. He advised that Banks need to increase credit flows to this segment. Further he felt that Banks also need to do much more in terms of establishing a connect with the common farmers in the villages as the farmers still do not feel comfortable with the Banks. The Chairman opined that the farmers are not getting the bank as their partner. He suggested that Banks should initiate

some outreach programme in the villages so that farmers will not hesitate to approach the banks for finance.

GM, SBI stated that Agriculture finance has always been under the focus of the Banks through various specialised schemes such as Crop loans, Loans for Dairy , Pisciculture, Horticulture, Tractor loans, Rural godowns etc. Banks are working in coordination with Agriculture Deptt. of Govt of Assam and would be happy to support the various initiatives and development programmes of the Department. As an example, Banks are in touch with Purabi Dairy for financing dairy units from which Purabi is/would be sourcing milk. This scheme can particularly be very successful in Barpeta district where dairy farming is popular. The same can be replicated in other districts in the State. Further, as regards reaching out to the farmers GM, SBI stated that under the guidance of RBI, Nabard and Government Banks have keenly promoting outreach programs through the BC channel. Banks are actively implementing the Pradhan Mantri Jan Dhan Yojana for providing at least one banking outlet in each SSA and opening at least one account per household for all households in the State. This exercise is expected to be completed by November 14. Numerous financial literacy camps are being held to educate the farmers and rural populace in all SSAs. Banks have also taken initiative for keeping in close touch with Gaon Burras and village level officials to ensure success.

Shri V.K.Pipersenia, Addl Chief Secretary and Agriculture Production Commissioner, Govt of Assam appraised the house that credit flow to Agricultural is very low which can be gauged from the very poor performance of the Banks under KCC Loans. Performance which indicates through KCC. KCC achievement in the first quarter is only 33753 loans against the annual target of 764500 . He suggested that under PMJDY , Banks have opened substantial number of accounts in Assam and they can link all these accounts to KCC. He advised to develop a mechanism to review the Bank/branch wise performance/ non performance. He also indicated Government will provide any specific support that may be required to improve the contribution in Agriculture.

Shri Sandilya, CGM Nabard indicated that for increasing penetration of KCC there is need to spread awareness about KCC amongst the farmers. Many of them do not understand how it works and about the increased scales of finance available and they end up going to moneylenders. He also opined that block level and district level **activity specific** planning is required for greater impact. Block level and district level consultative committee meetings should be held regularly and seen as drivers of Agricultural growth. He also stated that as per the regulations Banks should restructure agri loans in the flood affected areas.

Honourable Shri Nilamoni Sen Deka, Minister of Agriculture, Govt of Assam in his address informed that the CD ratio is low at 43.97% and out of that the credit flow to Agriculture is even lower – very little money has gone to the farmers of Assam. He further informed that despite of State Governments repeated request Nationalised Banks are not financing the farmers though the Govt of Assam is providing 3% Interest subsidy on the KCC loans. He requested that special steps be taken to finance the people who have lost their everything particularly in Goalpara and Dhemaji districts on account of the floods. In Assam 85% people are engaged in Agricultural activities and Banks are ignoring them and advised Banks to take this concern seriously.

The Convener Bank assured Honourable Minister on behalf of all the Banks, that Banks would do everything possible to help the farmers, increase credit flows , support farmers in the flood affected areas and ensure that the Agriculture segment of the economy, which is the mainstay of peoples livelihood , prospers.

Other Agendas of the meeting were taken up serially thereafter:

Agenda No.1
Adoption of Minutes

Shri I. Sashi Pongener, DGM (OR), SBI then advised the house that since no request for any amendments had come up in respect of the minutes of the last SLBC meeting for March'14 qtr. held on 05.06.2014, the house would take it as accepted and the house agreed to this effect.

Agenda -2
Review of Gol instructions regarding Financial Inclusion

Pradhan Mantri Jan Dhan Yojana(PMJDY): bank wise allotment of SSA and Urban Wards have been circulated to all member banks. Current position of coverage is as under:

No of SSA	SSAs Covered by Branch/CSP	No of Accounts opened
3699	2204	1390445(as on 29.09.2014)

The household coverage can be ascertained once the Household Survey is completed which would take care of multiple accounts in same household.

The time line of Household Survey given by Gol was 30.09.2014 and to be completed within the above date. Although the survey work has been started by all banks but due to natural calamities like floods, landslides etc. it will be difficult to complete the task as scheduled.

Hence the SLBC have decided to complete the task positively within 31.10.2014.

Action point No.1

Agenda No-3

Follow up action on the decision of the SLBC meeting

Chairman expressed his displeasure and unhappiness at the inability of the Banks to provide correct up to date performance data. He advised the Banks to have appropriate systems for data flow for timely availability of accurate data.

All banks should upload correct data in all the tables provided in the SLBC website within the time frame. All LDMs must upload their district data directly in the website. All the Lead Banks should advise their LDMs to upload data in SLBC website properly and timely for accuracy of overall data.

Action points No. 2 & 3: Agriculture Lending : Crop Loans/KCC

Agenda No. 6

Agl. Loan portfolio compared to March'14 decreased by 279 crores. Agl advances at the end of June'2014 is Rs.7219 crores (inclusive of investment of RIDF), which was 19.31% of the total advance (RBI bench mark : 18%).

Crop loans	: Rs. 3184 crores
Term loans	: Rs. 4035 crores
Total	: Rs. 7219 crores

New loans sanctioned during the quarter

Crop loans	: Rs. 154 Cr
Term loans	: Rs. 170 Cr
Total	: Rs. 324 Cr

KCC target	: 764500
No.of new cards issued during the year	: 33753
Cumulative position of KCC	: 1557267

The achievement of Agriculture target up to June, 2014 is Rs.324 crores (6%). As on June,2013 the achievement in Agl target was R.497 crores(11%)

The Chief Secretary advised Revenue department , Govt of Assam to arrange for notification of flood affected areas to enable the Banks to restructure loan accounts in those areas

Action point No. 4

CD Ratio

Agenda No. 5

a) CD ratio had increased from 43.48% as on March'14 to 43.97% and C&I:D ratio from 43.39% to 49.93% as at the end of June'2014 quarter.

Banks with less than 20% CD ratio were as under:

(i)HSBC, (ii)Punjab & Sind Bank ,(iii) Vijaya Bank,
(iv)BOM,(v)KMB,(vi)Indian Bank &(vii) Yes Bank

(a) Total No. of Banks operating in the State : 35
(b) No. of Banks with CD ratio less than 20% : 7
(c) No. of Banks with CD ratio between 20% to 30% : 4
(d) No. of Banks with CD ratio between 30% to 40% : 9
(e) No. of Banks with CD ratio above 40% : 15

Hon'ble Minister Shri N. Sen Deka and Chief Secretary Shri. Khosla advised Banks having CD ratios below 40% to make conscious efforts and increase credit flows to register a higher CD ratio.

Action point No.5:

Annual Credit Plan 2014-15

Agenda No. 7

(α) ACP performance for 2014-15 is as under :

Target -Rs 10012 Cr.

Achieved -Rs. 1024 Cr.

Percentage- 10%

Year to year performance: 18% as on June'2012-13

Segment wise summary

	Rs. In Crore			
	<u>Target</u>	<u>Achievement</u>	<u>%</u>	<u>Y to Y %</u>
Agri total	5176	324	6	11
Crop loans	3340	154	5	9
Industry	2306	298	13	10
Other Priority	2530	402	16	21

Chairman opined that the performance was very poor and needs to be improved quickly. The house was of the opinion that the performance under review is of the 1st quarter which was affected by general elections and also closing related works. There was also slow growth on account of the challenges faced by Banks in as much as Land conversion issues, infrastructure improvement, power and connectivity issues , poor recovery and growing NPA etc. still remained to be addressed. However, the Bankers assured the Chairman that the performance will be much improved in the subsequent quarters.

Action Point No 6
DCC/DLRC Meeting

The chairman advised that DCC and DLRC meetings at District/Block Level Bankers Committee Meeting (BLBC) should invariably be conducted and banks with lead responsibility should ensure that both the meetings were held in time.

Action Point no. 7
PMEGP

The position is as under :

Target	: 11999
Proposal received	: 695
Proposal sanctioned	: 674
Proposal disbursed	: 444
Proposal pending for disbursement	: 230
Proposal rejected	: 21

As no one from KVIC Deptt. attended the meeting , detailed discussions could not be done.

Action Point no.9
RSETI

The position of RSETIs are as under:

Sl No	Name of Bank	Target	Opened	Pending
1	State Bank of India	5	4	1
2	UBI	9	4	5
3	CBI	1	1	0
4	UCO	6	6	0
5	AGVB	5	4	1
6	RUDSETI	1	1	0
	Total	27	20	7

Chairman advised the Banks to start the remaining 7 RSETIS without further delay.

Action Point No. 10

FLC

All the Banks informed that In all the 27 districts, FLC Camps under PMJDY is being conducted regularly.

Action point No.11

Implementation of Revival/restructuring & reform package for the Handloom sector.

Agenda No. 10

(i)DGM , NABARD informed the house that the Revival/Restructure and Reform Package for Handloom Sector has already been closed.

(ii)Target of WCC for the year 2014-15 has yet not been provided by the Department of Textile, Govt of India. However, performance of issuance of Weavers Credit Cards is as under during the quarter:

Total No. of proposal received	: 1327
Proposal sanctioned	: 537
Proposal pending for sanction	: 567
Proposal return/rejected	: 223

The chairman advised the Banks to sanction the pending proposals at the earliest. Industries Department was requested to provide targets at the earliest.

Action point No. 12 & 16

Recovery support from Govt of Assam

Agenda No. 19

Rates of recovery being poor, the Banks requested that active support of the State Government be provided in respect of crop loans and Government sponsored schemes. In case of Govt sponsored loans particularly PMEGP loans, the Chairman opined that helping in recovery process by the Govt. officials was a part of the routine and was expected to be done on a day to day basis. The controllers of the respective banks should write to the Secretary, Finance Department, Govt. of Assam in specific cases for recovery support, who in turn would advise the district administration for necessary support.

Remaining Agenda items:

Action point No.4

E-payment & Electronic Benefit Transfer(EBT)

At present three Banks viz, SBI, AGVB and CBI are doing EBT. As all other Banks were willing to join the process, the Chairman advised the Banks to contact Finance Deptt. in the matter.

Agenda No. 8

Review of progress of financing under MSME sector

Chairman expressed unhappiness at the negative growth of Rs.464 crores up to the quarter end June,2014. He advised that there was tremendous scope for MSME in the State and Banks must come forward and support by way of adequate financing.

Banks advised having met last years targets and assured the Chairman that all targets under this segment would be met.

The sub-segment wise growth was as under:

<u>Sub-segment</u>	<u>Growth (Rs. In crores)</u>	<u>Growth % over Mar'14</u>
Micro Enterprise	-81	1.5
Small Enterprise	-277	7
Medium Enterprise	-106	5

SHG Credit Linkage(Direct)

The performance in SHG Credit Linkage during the quarter was as under

No. of SHG credit linked- 1367
Amount sanctioned Rs. 167 Cr.

Agenda No. 9

Implementation of SGSY/Aajeevika mission/NRLM Scheme

The target for the year 2014-15 had been fixed for Rs.350 crores and 59000 units distributed to all banks. Shri Manoj Kumar,IAS, Mission Director advised the house that 15000 loan applications have been submitted to bank branches. He further informed that except SBI, AGVB and UBI no other banks are co-operating with the scheme. In a presentation made by Shri Kumar, it was seen that Assam has not fared well when compared to other States as

far as SHG creation and credit linkage was concerned. Chairman expressed his disappointment and reiterated that the SHG experiment had been extremely successful in bringing about socio economic development in all the areas where it has been implemented and Banks must come together and along with NRLM make it equally successful in Assam. GM, SBI assured that within 31st October,2014 all the proposals received by the bank will be cleared.

Agenda No.11

Personal Banking Advances: Education Loan for 2013-14

The house assured the Chairman that the position will be improved in the next quarter.

Agenda No. 12

Credit Flow to Minority Communities

The bench mark is 15%, all the districts are above the bench mark except Kokrajhar district. UCO bank having the lead responsibility of the district to look into the matter.

Agenda No.13

Up scaling the Self Help Group(SHG)- Bank Linkage Programme

Discussed under agenda Nos. 8 & 9

Agenda No.14

Joint Liabilities Group Scheme(JLGS)

CGM Nabard pointed out that risk mitigation is much better when Banks are dealing with groups and accordingly it was decided to form 1 lac JLGs last year. The Present Position of credit linkage to JLGS were as under:

Target allotted for the year 2014-15	: 24000
Credit linked No of JLGS upto the quarter end	: 1102
Amount sanctioned upto the quarter end	: 11.44 cr
Cumilative position of No of JLGS credit linked	: 27138
Cumilative postion of credit linked amount	:128.72 cr

Agenda No. 15

UWSP and USEP under SJSRY

The SJSRY scheme has been renamed as National Urban Livelihood Mission (NULM). The target is still awaited. Banks to follow up with Government for the targets.

Agenda No.16

Sanction of Agri loans by Banks to trained candidates under the central sector scheme. Establishment of Agri Clinics and Agri Business Centres(ACABC)

The CGM, NABARD appraised the house that this is a Govt of India scheme and is in force. Subsidy is also available in the scheme. Total No. of Agri Clinic and Agri Business Centres(ACABC) is 62, and the amount disbursed is Rs.1.95 crores.

Agenda No.17

Agri- Business; GSS-Dairy Entrepreneurship Development Scheme(DEDS), Review of Performance.

The CGM, NABARD appraised the house that this is a Govt of India scheme and in force. Subsidy also available in the scheme. Total No. of Dairy Entrepreneurship Development Scheme(DEDS) were 2454 and amount outstanding Rs.26.11 crores.

Bankers were advised to actively promote both the above schemes under Agenda No. 16 & 17 for utilisation of subsidies and achievement of Agri targets.

Agenda No.18

Mapping of Clearing House Establishment of Clearing House Facility at centres having three or more Bank branches and no Clearing House

UCO bank appraised the house that out of 10 centres in 4 centres they have opened the clearing house and for remaining 6 centres they have applied for licence from RBI. UBI also stated that out of 10 centres they have opened in 3 centres and rest are in process to open.

Agenda No. 19

Implementation of Interest Subsidy Eligibility Certification(ISEC) and Prime Ministers Employment Generation Programme(PMEGP)

As no one attended from KVIC discussion could not be held on the issue.

Agenda No.20

Non Disbursement of PMEGP loan due to NPA by UBI as per letter No. CIC(US)PMEGP/Misc/154/2009/155/357 dated 07.07.2014 of Commissioner of Industries and Commerce, Guwahati

The CRM ,UBI has informed the house that they have not issued any such instructions to their Madhusaulmari branch.

Agenda No.21

Implementation of National Pension System(NPS)-Swavalamban for persons belonging to unorganised sector with a view to provide old age income security

The Chairman advised all the banks to actively participate in the scheme as it would contribute vastly to social security for the unorganised sector.

Agenda No.22

Implementation of National Crop Insurance Programme

The chairman informed the house that he will advise Agriculture Deptt. of Govt of Assam to take up the matter separately .

In summing up the Chairman advised Banks for deeper Agricultural penetration particularly in terms of KCC coverage and achievement of all targets under ACP including MSME which also contributed to inclusive growth. He exhorted Banks to promote SHGs particularly the women SHGs where risk of default was very little.

GM SBI , on behalf of all the Banks assured Chairman that the Banks will make all efforts to achieve the mandates and particularly increase coverage substantially in Agriculture finance and SHG finance as desired by the Honourable Minister Shri Sen Deka and the Chief Secretary Shri Khosla.

The meeting ended with a vote of thanks .

Action Points that emerged in the SLBC, Assam, meeting dated 29.09.2014

No	Action to be taken	Action by
1	Data should be uploaded in SLBC website timely and accurately.	All Banks
2	Agriculture lending in the State should be increased.	All Banks.
3	KCC/Crop loans sanction and disbursement should be major thrust area. Liberalised norms for issuance of KCC should be adhered to, so that target can be achieved	All Banks
4	Credit portfolio of banks needs to be increased to improve the C D Ratio of the state.	All Banks
5	DCC/BLBC meetings at the district level and Block level should be held regularly.	All Lead banks.
6	PMEGP: Private banks must participate for implementation of PMEGP scheme in the State.	All private Banks
7	Updating of Land Records: To list all the documents pertaining to land records immediately.	Technical Committee to appraise
8	a) RSETIs are to be set up by banks as per the allotment. b) Revenue/P&RD Deptt., GoA are to settle the matter regarding land allotment to RESTIs in the State with concerned DCs of districts. c) Sub-committee to meet regularly to resolve the problem	a, b & c):- Concerned Banks/Revenue/P&RD Deptt, GoA & Sub-committee
9	FLCs: FLCC camps to be organised by the respective lead banks in all the districts to increase the awareness/financial product knowledge of the villagers. Banks to ascertain the outcome/qualitative aspects of the camps.	Lead banks.
10	Recovery support from GoA	All Banks/GoA/ KVIC/ KVIB/DIC
11	A meeting should be conducted with NABARD & NRLM for clarifying targets relating to Self Help Groups.	Convenor Bank

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LIST OF PARTICIPANTS IN THE SLBC (ASSAM) MEETING HELD ON 29.09.2014

(A) RBI, NABARD etc.

1	Shri.A.P.Sandilya	CGM	NABARD	Guwahati
2	Ms. Rajashree baruah	GM	"	"
3	Shri M. Mukherjee	DGM	"	"
4	Shri Pintun Sutar	DGM	RBI	"
5	Shri Mangta Shoute	Manager	"	"

(B) State and Central Govt. Officials.

6	Shri Nilamoni Sen Deka	Minister of Agriculture,	Govt. of assam	Guwahati
7	Shri J. Khosla, IAS	Chief Secretary	Govt. of Assam	Guwahati
8	„ V.K.Pipersenia	Addl. Chief Secy(Agriculture).	GoA	"
9	„ Dr. J.B.Ekha	Comm/Secretary(Finance)	"	"
10	„ Simanta Thakuria	Secretary (P&RD)	"	"
11	„ Manoj Kumar	SMD, ASRLMS	"	"
12	„ A. Baruah	Secretary(Agriculture)	"	"
13	„ P. Mohanta	Asstt.Director(Agriculture)	"	"
14	„ J.U.Khan	Extn officer(Agriculture)	"	"
15	Dr. K.Borkakati	Director, (Agriculture)	"	"
16	Ms Eva deka	Jt. Director(Finance)	"	"
17	Shri S.K.Das	Dy secretary(IAA Deptt)	"	"
18	„ Gulab Singh	Dy. Secretary, DFS, MoF	Gol	New Delhi
19	Ms Shanta B Sarma	Dy Director, CII-BYST	"	Guwahati
20	„ A.K. Nath	Project Head	BYST	"
21	Dr. Md. Hasib	Reg. Co-ordinator	"	"
22	Dr. Himadri Konch	SPM-FI	ASRLM	"
23	Dr. Rosy K Baruah	PM-FI	"	"
24	Shri Gunagobinda Das	Consultant FI	"	"
25	Shri P.K.Talukdar	SPC, RSETI	NC,NAR(MoRD)	"

4C) Commercial Banks, RRBs, Co-operative Banks & Other Financial Institutions.

26	Shri N.D.Purkayastha	DGM&CRM	UBI	Guwahati
27	„ S.S.Singh	Chairman	AGVB	"
28	„ P.C.Garnaik	DGM	Allahabad bank	"
29	„ Ujjal Kumar	Circle Head	UCO Bank	"
30	„ Sekhar Kr. haldar	DGM, Circle Head	Canara Bank	"
31	„ T.K.Das	Regional Head	Bank of Baroda	"
32	„ H.B.Pantola	Zonal Manager	Central Bank of India	"
33	„ T.N.Sharma	Chief Manager	"	"
34	„ S.P.Deb	Zonal Manager	Indian Bank	"
35	„ P.Purkayastha	Sr. Manager	UBI	"
36	„ Ajit kr Chatterjee	Dy Zonal Manager	Bank of India	"
37	„ B.P.Chakraborty	Sr Manager	Syndicate Bank	"
38	„ S.N.Panda	Divisional Manager	Canara Bank	"
39	„ P.P.Saikia	GM	Assam Co-op Bank	"
40	„ P.K.Purkayastha	Chairman	LDRB	Diphu
41	„ Chandramouli Sarkar	Vice President	Axis bank Ltd	Guwahati
42	„ Pallab Nag	Dy Manager	Bank of Maharashtra	"
43	„ S.K.Nayak	Chief Manager	Corporation Bank	"

44	Shri S.K.Mahapatra	Sr.Regional Manager	IOB	..
45	.. C.R.patra	Dy general Manager	Union Bank of India	..
46	.. V.R.Behera	Sr BM	Andhra Bank	..
47	.. A.Talukdar	Chief Manager	ICICI bank	..
48	.. Ajay Pal Singh	Zonal Risk Manager	ICICI bank	..
49	.. Ashit Paul	Manager	Allahabad bank	..
50	..R.K.Sarma	Chief Manager	AGVB	..
51	.. Arju Rehman	Asstt. Manager	IOB	..
52	.. S. Bhattacharjee	Manager PS	BOB	..
53	.. Santosh Kumar	Sr. Manager	Corporation Bank	..
54	.. Ajoy Kumar Choudhury	BM	KBL	..
55	.. Nayan jyoti Phukan	AO	Agri Ins. Co.	..

(D) Convenor Bank

56	Shri M.A.Sahu	General Manager (NW-I)	State Bank of India	Guwahati
57	.. A.K.Chand	DGM&CFO	..	..
58	.. I. Sashi Pongener	DGM(OR)	..	..
59	.. S.Srivastava	DGM(B&O)	..	..
60	.. R.K.Borkotoky	DGM(ABU)	..	..
61	.. S.C. Sen	AGM(OR)	..	..
62	.. A.K.Panda	AGM(ABU)	..	..
63	..GRB Choudhury	AGM	..	..
64	.. D.K.Choudhury	AGM	..	..
65	.. Bijoy Chakraborty	AGM	..	..
66	.. S.M.Aich	AGM	..	..
67	.. P.K.Bajpai	AGM	..	..
68	.. S. Mazumdar	Chief Manager (SME)	..	..
69	.. P.K.Saikia	Director (FLC)	..	..
70	.. M.C.Das	Manager(LB&RRB)		..
71	.. A.K.Azad	Dy Manager
72	.. Nikhil Dutta
73	.. G.R.Paul
74	.. Rinku	Law officer
75	.. N.C.Das	Dy Manager

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