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CHIEF MINISTER'S PUBLIC RELATIONS CELL, DISPUR

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CM interacts with bank officials on PM's economic stimulus package

Banks urged to devise standard operating plan to maximize credit flow to MSMEs and other stressed sectors

Dispur, May 20: Chief Minister Sarbananda Sonowal today urged the public and private sector banks of the State to devise a standard operating plan to maximize credit flow to MSMEs and other stressed sectors in the backdrop of Prime Minister's announcement of an economic stimulus package worth Rs. 20 lac crore to galvanize the economy which was hit hard by the novel coronavirus induced nationwide lockdown. The Chief Minister also said that the State Government would constitute a committee with representation of bank officials to oversee implementation of the economic package and ensure that all affected sectors get optimum benefits.

While speaking at a special State level Bankers Committee meeting at Assam Administrative Staff College in Guwahati today, which was convened to interact with bank officials for successful implementation of the economic package, the Chief Minister said that under present circumstances the economic stimulus package is a historic announcement by the Prime Minister and the banks must seize this opportunity to rejuvenate the battered economy.

Observing that the MSME sector is one of the core areas of State's economy, Chief Minister Sonowal urged the banks to reach out the entrepreneurs during this time of distress with more credit flow. The Chief Minister suggested the banks to come out with standard operating plans to ensure maximum disbursement of loans so that there is more liquidity in the market. He further said that the State Government would form a committee including representatives from banks for better execution of the economic package.

Urging the bankers to be positive in their outlook, the Chief Minister advised them to convene meeting with all stakeholders to negate the possibility of the loans turning into bad loans. He moreover said that the coronavirus pandemic had been an eye opener in terms of State's strengths and weaknesses in the economic sector and it was time to capitalize the learning to reap dividends to boost the economy. Further stating that the economic package brings much hope for the agri and allied sectors, the Chief Minister called upon the banks to pump in more money in building agricultural infrastructure and focus on areas related to production, procurement and marketing of farm products.

Minister of Finance Dr. Himanta Biswa Sarma in his speech urged the banks to show leadership in overcoming the present economic crisis and work with a focus on realizing the vision of *Atmanirbhar Bharat* and *Atmanirbhar Assam*. Underlining various aspects of

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the economic package, Dr. Sarma said that from now on MSMEs are entitled for liquidity without guarantee and hence the banks should aggressively lend money to boost capital flow in the market.

The Finance Minister said that there is much scope for expansion of KCC loan today with opening the door for inclusion of dairy, piggery etc., and advised the banks to develop modality for lending KCC loan to this sector as well. He also informed that the committee to be formed by the Government to oversee implementation of the economic package would be a favourable platform to sort out all issues faced by the borrowers and bankers. Dr. Sarma further said that the State Government would introduce three awards to recognize the best performing banks on PM's economic package based on reports of an independent evaluator.

Representing the banking institutions, CGM SBI NE Circle Sunil Tandon, CGM NABARD SS Saha, Managing Director & CEO of North East Small Finance Bank Rupali Kalita and officials of Bank of India and Indian Bank made several suggestions for effective implementation of the PM's economic stimulus package.

Principal Secretary of Finance Department Sameer Sinha in the meeting made a detail presentation on different aspects of the package and highlighted the role that banks could play as an intermediary in implementing the package.

While Chief Secretary Kumar Sanjay Krishna delivered the welcome speech, the vote of thanks was offered by Additional Chief Secretary, Finance Rajib Bora. Agriculture Minister Atul Bora, Industry & Commerce Minister Chandra Mohan Patowary, Regional Director of RBI, senior officials of the State Government and representatives of public as well as private sector banks were present in the meeting.

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