



THE ASSAM GAZETTE

অসাধাৰণ

EXTRAORDINARY

প্ৰাপ্ত কৰ্তৃত্বৰ দ্বাৰা প্ৰকাশিত

PUBLISHED BY THE AUTHORITY

নং 563 দিশপুৰ, মঙ্গলবাৰ, 30 নৱেম্বৰ, 2021, 9 আশ্বিন, 1943 (শক)
No. 563 Dispur, Teuesday, 30th November, 2021, 9th Agrahayana, 1943 (S. E.)

GOVERNMENT OF ASSAM
ORDERS BY THE GOVERNOR
FINANCE (INSTITUTIONAL FINANCE) DEPARTMENT

NOTIFICATION

The 8th November, 2021

No.FIF.37/2021/Pt./74.- In its endeavor to provide incentive and relief to the stressed Microfinance borrowers, the Governor of Assam is pleased to issue the following Guidelines for implementation of the Scheme "**Assam Micro Finance Incentives and Relief Scheme (AMFIRS), 2021**".

1. Background

As per the decision of State Cabinet Meeting on 11th May 2021, Government of Assam has constituted a Committee to study the miseries faced by the borrowers of microfinance sector in the State and make recommendations. On the basis of inputs from the Committee, the "**Assam Microfinance Incentive and Relief Scheme (AMFIRS) 2021**" was formulated with the objective to give incentive and relief to the borrowers, who availed small loans from different Microfinance lending institutions in the State of Assam. The State Cabinet in its meeting dated 24th June 2021 approved the "Assam Microfinance Incentive and Relief Scheme 2021".

2. Objective

The objectives of the Scheme are as follows:

- a) incentivizing borrowers for making regular repayments and maintaining good credit discipline;

- b) providing relief to stressed borrowers to encourage and help them to regularise their repayments;
- c) providing partial/full relief from repaying loans to destitute borrowers with no capacity to repay.

3.1 Scope and the Scheme Benefits The relief under the scheme shall be extended to all borrowers to the extent of loans from up to 3 lenders and for loans outstanding amount of up to Rs 1.25 lakhs. Further, to become eligible for this scheme under Category 2 and 3, the concerned borrower has to fulfil eligibility/non-eligibility conditions as laid down in the para 3.2 of this Guidelines. The Scheme offers the incentives and reliefs to the eligible microfinance borrowers of following categories:

3.1.1. Category 1: Borrowers who have been repaying regularly with zero Days Past Due (DPD), will be provided one-time incentive to the extent of their outstanding balance, subject to a cap of Rs.25000/-. This is proposed as an incentive to them to continue maintaining good credit discipline.

3.1.2. Category 2: Borrowers whose payments are overdue by 1-89 days; that is for accounts which are overdue but not NPA, the State Government will pay the overdue amounts. All such borrowers, thereafter, will be encouraged to make timely installment payment so that their accounts remain standard and credit culture is reinforced. To incentivize such credit discipline, the Government will, after observing such borrowers for a time period, as may be decided with mutual consultations, on a case to case basis, make one-time incentive payment of Rs.25000/- or equal to the outstanding balance, whichever is lower.

3.1.3. Category 3: Borrowers who are stressed, destitute and whose accounts have become NPA will need to apply through a format verified & certified by the lender. State Government will consider providing partial or full relief based on detailed evaluation.

3.2. Eligibility and Non Eligibility Conditions

3.2.1 Eligibility Conditions

Following eligibility conditions need to be fulfilled by the borrower to become eligible for receiving the benefits of the Scheme:

- a) Borrower should be a permanent resident of Assam.
- b) Household Income of the Borrower should be less than Rs1,25,000 and Rs 2,00,000 for rural and urban/semi-urban households respectively.
- c) The borrower should have a bank account in any branch of PSU/Commercial/ RRB/Small Finance Bank/ Co-operative banks operating in Assam.

3.2.2 Non- Eligibility Conditions

The borrowers of the following categories shall be automatically excluded from being beneficiaries of this Scheme:

- a) All regular serving or retired officers and employees of Central/ State Government Ministries / Offices / Departments and its field units Central or State PSEs and attached offices /Autonomous Institutions under Government as well as regular employees of the Local Bodies and PSUs.
- b) Doctors, Engineers, Lawyers, Chartered Accountants, Architects and Registered Govt. contractors.
- c) Income tax payers.
- d) Household owning four-wheeler or mechanized boat. (Having two-wheeler is not an exclusion criterion).
- e) Household owning an air conditioner.
- f) Household owning more than 15 bighas of agriculture land.

4. Mode of Disbursement

Benefits provided under this scheme and mode of disbursement may be as follows:

Category	Mode of Disbursement
Category 1	Payment of incentives under Category 1 would be made to beneficiaries through account payee cheques issued from CCPAP (Corporate Cheque Payment at PAR) compatible accounts, opened with State Bank of India. There will be digital signature of Hon'ble Chief Minister printed on every cheque.
Category 2	Benefit, in form of overdue amount, shall be transferred to the lender, who shall deposit the benefit to the loan account of the respective borrower on the day of bank credit itself. Incentive part shall be transferred directly to the bank account of the borrower.

Category 3	Post verification, benefit in the form of partial or full relief, based on detailed evaluation, shall be transferred to the lender. The Lender shall deposit the benefit to the loan account of the respective borrower on the day of bank credit itself.
------------	---

5. Implementation Procedure

The Scheme will be implemented in the following mechanism:

- a) Lenders will source a standard borrower level report from the designated credit bureau, which will authenticate the status on relief eligibility, subject to inclusion and exclusions as provided under the scheme Memorandum of Understanding and its Guidelines.
- b) The Category 1 beneficiaries would be exempted from the requirement of submission of applications for processing their cases. Incentive will be provided to Category 1 eligible borrowers strictly under the scheme, as per the credit bureau data, duly certified / verified by the respective lender. Thereafter the data will be checked and verified by a Data Verification and Management Cell, in Finance (IF) Department.
- c) (i) Lender will receive and process the applications from the borrowers of Category 2 and 3, who are eligible for applying under the scheme. A suitable Online portal would be developed for Category 2 and 3 beneficiaries for application, processing, verification, selection, approval, payment and record keeping etc.

(ii) The applications once verified shall be forwarded by the Lender concerned to the respective Deputy Commissioner (DC) of the District. The office of the Deputy Commissioner will review the applications including the supporting documents and the verification done by the Lender. The office may conduct other checks as agreed in the detailed process and then recommend / forward the application to the Finance Department, Government of Assam.

(iii) Finance Department, Government of Assam would carry out an overall check on the scheme and amount admissibility, based on the Category of the borrowers and then approve for payment.

d) Finance Department, in consultation with lenders, may issue detailed process document for smooth implementation of the Scheme.

6. Cut-off date:

The cut-off date for determining the credit history of the applicant and categorizing the beneficiary will be 31st March 2021.

7. Monitoring Mechanism

To implement the scheme in the most transparent manner, it will be monitored during implementation by the District Level Coordination Committee of Bankers under the chairmanship of Deputy Commissioner and State Level Bankers Committee headed by the Chief Secretary who shall be provided any information sought for by the lending institutions, borrowers and regulating agencies.

8. Publicity and Awareness

It is proposed that wide publicity through print media, electronic media and social media shall be carried out for spreading the awareness of the Scheme.

9. Funding

Fund will be provided in the State Budget under SOPD-ODS for the financial year 2021-2022

10. Administrative Expenses

1% of the overall outlay of the Scheme is to be earmarked as an administrative expense to meet manpower, software and hardware and other requirements.

11. Removal of difficulties

In case of any difficulty in the operation of the Scheme, the Government in Finance Department may relax any or all of the provisions indicated above.

This Notification shall come into force with immediate effect.

JAYANT NARLIKAR,
Commissioner & Secretary to the Government of Assam,
Finance Department.