

SPEECH OF DR. NAJMA HEPTULLA, HON'BLE GOVERNOR OF MANIPUR AT THE INAUGURAL FUNCTION OF STATE CREDIT SEMINAR 2017-18 ON 6<sup>TH</sup> MARCH, 2017 ORGANISED BY NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT AT RAJ BHAVAN, IMPHAL

Shri O. Nabakishore Singh, Chief Secretary,  
Shri Vineet Joshi, Principal Secretary (Finance),  
Shri T. Hauzel, Chief General Manager, Reserve Bank of India,  
Friends from Media,  
All the participants,  
Ladies and Gentlemen,

It is a pleasant experience for me to be here with you all today at the inaugural function of State Credit Seminar 2017-18 for the State of Manipur.

The National Bank for Agriculture and Rural Development, popularly known as NABARD has been playing a pivotal role in facilitating improved capital efficiency and flow of ground level credit to the farmers leading to overall economic development of the farm sector. It was in 1988-89 that NABARD took the initiative of preparing Potential Linked Credit Plans (PLPs) for agriculture and rural development with the basic objective of mapping the existing potential for development and to evolve an appropriate mechanism for exploiting the identified potential over a specified time-frame. Credit estimates in the PLP are thus based on the potential available. Thereafter, since 1990-91, based on the PLPs, a system of preparing State Focus Paper (SFP) for investment activities in agriculture and priority sectors has been introduced. Such a document has tremendous value as it forms the base for credit planning by banks and other line Departments. The SFP is discussed in the State Credit Seminar like the one being held today to draw a specific action plan.

Let me dwell a little more on the importance of the State Focus Paper. The State Focus Paper is essentially an aggregation of Potential Linked Credit Plans, providing a comprehensive overview of the development

perspectives in the state with special emphasis on accelerating the pace of capital formation in agriculture and allied sector. The document brings out the action plan requiring attention of State Government Departments, bankers and other stakeholders. In addition, it surveys the infrastructure gaps and elucidates the investments and budgetary support required for infrastructure development. NABARD closely aligns itself with Governments, banks and financial institutions to dovetail its developmental agenda with the national strategy of inclusive growth. It also interacts with the rural community through formal and informal forums. The domain knowledge thus gleaned over years is articulated annually by NABARD through the State Focus Paper, prepared for each state by its respective Regional Offices. This document serves two purposes: one, it provides the analytical platform for the banks to prepare their annual credit plans for the state and two, it provides the State Government with the infrastructure requirements for realizing the credit potential. The theme for this year's State Focus Paper is an ambitious target of 'Doubling of Farmer's Income by 2022'.

Manipur falls under Eastern Himalayan agro-climatic zone with two broad topographic divisions, namely the plains and the hills. The state is considered a hotspot of bio-diversity and it is gifted with diverse agro-climatic conditions suitable for growing various cash crops, fruits and vegetables. Agriculture has continued to be the mainstay of the state's economy with more than 70% of the population depending on it for livelihood. It also has a huge potential for horticulture, organic, herbal & medicinal plants, orchids and floriculture and if tapped with appropriate technology and infrastructure backed by adequate credit support could hold the key to a quantum leap forward for the economy of the state. However, by and large, agro-based economy has failed to flourish as it should in the state. There is lack of awareness about Government schemes and also lack of proper handholding for the farmers and entrepreneurs. There is need to

ensure provision of adequate budgetary support for creating the infrastructure required and to provide non-credit inputs so as to sustain the credit programmes at the ground level. It is necessary to diagnose the problems endemic in the state for providing an improved production and marketing environment and value added economic benefits to the farmers. The role of NABARD here is vital to ensure meaningful directions to the flow of ground level credit for achieving the developmental goals.

As you are well aware, unemployment is very high in Manipur and the Agriculture and allied sector has huge potential for employment generation. Agro-horticultural based industry is one area where a large number of the unemployed can be engaged in gainful activities. However, the farmers would need to be skilled suitably for taking up these economic activities. Skill is the 'Mantra' today for gaining employment and economic development and it was to this end that I initiated recently a Skill Development Seminar with the active participation of the State and Central Governments. I would urge NABARD to provide better avenues for skill development as well while extending enhanced credit support to the farmers.

I am happy that finalisation of the strategy for doubling the income of the farmers by 2022 is already in progress. Issues which limit the agricultural activities of the farmers have been identified and interventions required for improving the economic conditions of the farmers in the state have also been listed by NABARD. I am sure the Credit Seminar will lead to enhanced economic activities and better returns for the farmers and also better synergy among all stakeholders for overall economic development of the state.

I conclude with these words and I thank you for giving me this opportunity.

Jai Hind.