Gujarat UCBs Exhibits Robust NPA Control Compared to National Peers: Jyotindra Mehta

Left to Right: Smt. Scenta Joy, Chief General Manager, Reserve Bank of India; Shri. Jyotindra Mehta, Chairman of NUCFDC and GUJCBF; Shri. Bhupendra Patel, Hon'ble Chief Minister, Government of Gujarat; Shri. Jagdish Vishwakarma, Hon'ble Cooperation Minister, Government of Gujarat; Mr. Lakshmi Dass, President, NAFCUB, Mr. Prabhat Chaturvedi, CEO, NUCFDC and Mr. Sumeet Sabnis, ED, Sarvatra at Sahakar Setu - The West India Urban Co-Operative Banking Summit 2024.

Gandhinagar, The Urban Co-operative Banks (UCBs) of Gujarat are demonstrating impressive performance, boasting a low NPA ratio of just 0.5%, well below the national average of 3.8%. Shri. Jyotindra Mehta, Chairman of NUCFDC, Umbrella Organization for UCBs highlighted at the inaugural panel of Sahakar Setu - The West India Urban Co-operative Banking Summit 2024. This trend indicates a strong financial outlook for the state's UCB ecosystem.

During the one-day summit held at The Leela, Gandhinagar, industry leaders also echoed the importance of digital agility. Industry leaders participated in various symposiums, highlighted that the robust customer centricity, a commitment to reaching last-mile audiences with customized solutions, and adaptability to governance and regulatory standards are paving the way for UCBs to carve out a significant niche within the broader banking system.

Speaking at the inaugural session, Shri. Bhupendra Patel, Hon'ble Chief Minister, Government of Gujarat expressed a clear view that today is the golden time for co-operative banking sector to flourish through transparent management and technological innovation.

Regarding the achievements of Gujarat in the urban cooperative sector, Cooperation Minister, Shri. Jagdish Vishwakarma stated that, "the shift from mass production to production by the masses has become a distinctive identity for milk production and the cooperative sector in Gujarat. Daily payments of over Rs. 150 crore are made to the state's milk producers through DBT.

Shri. Jyotindra Mehta, Chairman of NUCFDC and GUJCBF, while speaking at the session on Responsible Banking for Sustained Growth and Development said, "India is home to over about 1500 UCBs, with around 218 located in Gujarat. More than 60% of these banks are small, each holding deposits of less than INR 50 crore, and some function solely as Unit UCBs. While Gujarat, Maharashtra, Karnataka, and Andhra Pradesh lead geographically in UCB distribution, even remote regions like Nagaland and Imphal have their own banks.

During the event, talking about Umbrella organization, Mr. Prabhat Chaturvedi, CEO, NUCFDC emphasized on the importance of enhancing the technology stack, compliance, governance standards, efficiency, and profitability of UCBs. He said, "It is possible to replicate best practices across the sector. This will enable us to offer robust, scalable, cost-effective, and cyber-resilient IT infrastructure that meets regulatory guidelines and is future-ready with digital products and services to fulfill customer expectations and drive business growth.

NUCFDC is actively developing shared and centralized services in key areas such as IT hardware and software solutions, IT governance and compliance, training, cybersecurity solutions, and advisory services.