

**State Level Bankers' Committee (SLBC), Kerala**  
**STATE LEVEL REVIEW MEETING (SLRM) 2014**  
**Minutes of the Meeting held on 25<sup>th</sup> & 26<sup>th</sup> June, 2014**  
**at Hotel Residency Tower, Trivandrum**

<b>DELIBERATIONS ON 25<sup>th</sup> JUNE, 2014</b> <b>OPENING SESSION OF SLRM 2014</b>
---

The meeting commenced at 10 a.m. with **Sri. K. R. Balachandran**, Convenor SLBC Kerala & General Manager, Canara Bank in the Chair.

**Dr. T. V. Duraipandi**, Assistant General Manager, Canara Bank welcomed the participants to the Opening Session of two-day Review Meeting.

**Sri. K. R. Balachandran**, Convenor SLBC Kerala & General Manager, Canara Bank, in his presidential address informed that State Level Review Meeting of SLBC, Kerala is a very important meeting in the annual calendar of SLBC where a threadbare review of the progress made by the Banking sector of the State for the previous fiscal, under various vital sub sectors of Priority credit and Government sponsored programmes is done. Following were the highlights in his address.

The SLBC forum in the State has been serving as an effective platform for coordinating the functioning of banks and various government departments. This cooperation has helped the State to achieve unparalleled success in the banking sector and also in the implementation of various poverty alleviation and social welfare schemes. The State's accomplishments in areas like agricultural credit, educational loans, total priority credit, linkage of self-help groups, credit to weaker sections, minority community, empowerment of women are all praiseworthy. Further the state is a pioneer in the implementation of financial inclusion directives of Finance Ministry and RBI.

The two days' meeting, beginning this day is of utmost importance since the three groups formed here on Primary, Secondary and Tertiary sector would be dealing in depth the review of performances under the respective sectors, and would discuss all the new as well as the pending issues confronting the development of Banking sector of the State. The Committee would consider alternative solutions to the various problems in the field for balanced development and evolve a consensus for coordinated action by the member institutions.

This meeting is at a time, when the State is facing a challenging task of curbing the activity of Private money lenders who are exploiting the common people who approach them for meeting their immediate credit needs. As per the clarion call given by State Government, SLBC, with the support of its various stakeholders had evolved a special Debt Swap scheme - Rinn Mukthi to help the underprivileged to come out of the debt trap. As responsible Bankers we need to play a pivotal role in the implementation of the scheme in letter and spirit and with whole hearted involvement. He hoped that, by this time banks would have already got the scheme approved by their corporate offices. The implementation of the scheme need to be ably supported through FLCs, as the time has now come for them to deliver by improving their visibility and up scaling the financial literacy activities.

He expressed happiness that all the 14 districts had launched their credit plans for the fiscal 2014-15, well in time. He congratulated all the banks especially the Lead District Managers for this splendid achievement. The State credit plan aims at disbursing Rs. 93124 crores during the current fiscal under Priority sector of which Rs. 40865 crores would be to Agriculture sector.

All the member institutions present should approach the group discussions in a spirit of co-ordination and intimate involvement, without which, the whole exercise would lose its utility. Important issues that warranted intense attention and proactive approach by the group members include:

- Finalisation of newly evolved Debt Swap Scheme - Rinn Mukthi
- Commencement of Banking Services through Common Service Centres (CSCs) as per Sub Service Area approach.
- Coverage of all the Panchayats in the State with brick and mortar branches.
- Popularisation of KCCs/ Rupay Card in the State.
- Up scaling the activities of Financial Literacy centres.
- Low share of investment credit under Agriculture
- Ways and means to increase investment credit.
- Improving credit flow to SME sector.
- Strategies to improve the share of Micro enterprises under total MSE so as to reach the mandated 60% target.
- Issues pertaining to Education Loans, implementation of State Govt/Central Govt subsidy schemes under Education Loan.
- Identification and nursing of sick SME units.
- Popularising CGTMSE scheme in the State.
- Credit Linkage of JLGs / SHGs/NHGs of Kudumbashree
- Implementation of Credit Linked Capital Subsidy schemes of Govt of India/ NABARD
- Successful implementation of Govt sponsored schemes.
- Putting in place a robust recovery mechanism in the state by the handholding of banks and concerned Govt departments.
- Poor recovery climate prevailing in some pockets of the state.
- Strategies to improve the flow of MIS to LDMs & SLBC

He requested the groups to come out with recommendations on the ways and means to improve in these critical areas of utmost interest to Government of India so that the state moves in perfect alignment with the national priorities.

He also expected the SLBC to recommend to State Government, measures which would facilitate intensive involvement of banks and effective co-ordination with extension agencies for all round banking development.

The members of the group were requested to understand the importance of their role play and participate actively in the deliberations and to come up with constructive recommendations for solving the pending issues. SLBC would further deliberate on them the second day and examine whether these recommendations could be adopted.

He mentioned that the deployment of credit to the thrust areas and sensitive segments in the State was showing an improvement during the recent years. The growth rates of Deposits, Advances & Priority sector in the State during the last financial year was 22 %, 10 % & 14% respectively. But it was concerning to note that the CD ratio of the State had fallen from 76.41 % as at March 2013 to 68.66 %, a drastic fall of 775 bps.

He expressed happiness and pride to place on record that, in Kerala, the banking sector could achieve all the stipulated minimum threshold levels under national priorities except DRI scheme. Banks in the state can justifiably be proud of this record of achievement. These would not have been possible without the excellent co-operation between Government and Banks in our State.

While concluding, Sri. K. R. Balachandran welcomed all the participants to the opening session of the SLRM and solicited continued co-operation, support and involvement in the smooth conduct of the meeting and for meaningful & vibrant deliberations.

**Sri. K. R. Radhakrishnan**, Assistant General Manager, Reserve Bank of India, in his address, appreciated SLBC Convenor for preparing the Rinn Mukthi Scheme within the stipulated time given by the Hon'ble Chief Minister of the State during the Special SLBC meeting held on 22.05.2014. The SLRM is convened for reviewing the performance of banks during the previous year as well as making strategies for the next year. He then touched upon the following points.

- Decline in Credit Deposit Ratio by 8% compared to previous year, may be mainly due to the increase in NRI deposits.
- The performance of banks under SME advances is not satisfactory. Referring pendency of applications under the scheme, he requested all banks to ensure that applications under the scheme should not be kept more than 15 days and either to say yes or no to the application.
- RBI Circular on November 2012 for identifying sick units should be strictly adhered to by banks.
- Data integrity is to be ensured. Kindly ensure that data furnished to SLBC and LDMs are correct.
- Kerala is the first State in the Country for opening up of FLCs in all blocks. He extended thanks to all banks for rising the occasion of forming FLCs in all blocks according to the RBI guidelines.

He then wished that all groups conducted meaningful & vibrant deliberations on the issues especially Rinn Mukthi Scheme which would be finalised in the plenary session of SLRM.

**Smt. Usha Ramesh**, Assistant General Manager, NABARD, in her remarks pointed out that SLBC Kerala held a key role in directing the priority sector credit of the State. SLBC Kerala is the role model for the banks, Government Departments and leading financial institutions working together for the overall development of the State. She observed that Banks in the State had made a good performance under priority sector lending while RBI guidelines on Agriculture Gold loan would be strictly adhered to.

She commented that this was an opportunity provided by SLBC for concerned groups to discuss issues related to primary, secondary and tertiary sectors in threadbare and chalk out strategies. She appreciated all banks for the excellent progress made in achievement of targets in various sectors during the previous financial year and expressed hope that the same would be continued in the 2014-15 also.

**Sri. K. R. Arun Kumar**, Divisional Manager, Canara Bank then briefed the forum regarding the Group Discussion session - the objectives, role play, report preparation, presentation and the expectations from the group.

### **GROUP DISCUSSION SESSION**

The forum was then segregated to 3 groups for discussions on issues related to Primary, Secondary and Tertiary Sector. The session commenced at 11 a.m. and extended up to 6 pm. The reports of the groups were prepared and presented in the plenary session on 26<sup>th</sup> June, 2014.

<b>DELIBERATIONS ON 26<sup>th</sup> June, 2014</b>
--

<b>PLENARY SESSION</b>
------------------------

The plenary session of the State Level Review Meeting of SLBC Kerala commenced at 10 a.m. with **Sri. R. K. Dubey**, Chairman & Managing Director of Canara Bank in the chair.

**Sri. K. R. Balachandran**, Convenor SLBC Kerala & General Manager, Canara Bank, welcomed the dignitaries on the dais and off the dais to the Plenary Session of the annual State Level Review Meeting (SLRM) of SLBC Kerala.

**Sri. R. K. Dubey**, Chairman & Managing Director of Canara Bank in his presidential address informed that the much awaited monsoon has already set in and as all know, the Malabar coast is the gateway of monsoon in India, and the Rain God extends his arms to the rest of India only after embracing the western coastal line, aptly referred to as the “Gods own Country”. With it, the monsoon brings in, hope and prosperity to the Nation. On behalf of SLBC Kerala, he extended a warm welcome to all to this State Level Review Meeting which he referred to as the Monsoon Session of SLBC

He made a request to the Chief Secretary that a big auditorium or of hall of Government to be provided to conduct SLBC meeting in a better manner.

The last financial year has been very eventful, and has witnessed many a significant developments in the state. The state has achieved an enviable success in the implementation of DBT and DBT LPG, Coverage of Subservice areas, opening of FLCs and Brick and Mortar Branches in unbanked Gram Panchayats. He noted that the Banking sector in the state has displayed vibrancy in all these endeavors of the State Government, Central Government and RBI. He shared the information that Kerala SLBC was quoted in various forums as one of the best in the country, contributing the maximum.

He congratulated fellow bankers for their significant contribution in improving the economy of the state, and for being partners in the process of growth and development, more so with reference to taking banking to the doorsteps of the financially excluded segment.

Review or Self introspection, is one of the important aspects which signify whether we are moving on the right path or not. In this context, the day's review meeting assumes greater significance as we are going to review the performance of the banking sector for the Financial Year ended 31<sup>st</sup> March 2014.

This SLBC has always been an effective forum that has ensured the integration of efforts of the banking sector, various Government and Non Government institutions in the state, to facilitate overall socio-economic development of the state. SLBC Kerala is one of the most vibrant and proactive SLBCs in the country.

It is gratifying to note that a cordial and mutually supporting relationship continues to exist between Banks and the State Government in Kerala, The state's economy has achieved fair progress.

He then briefly highlighted the performance of the banking industry in the State as on 31.03.2014.

- 409 bank branches were opened during the financial year 2013-14 taking the tally to 5688, as against 368 branches opened during the corresponding previous year.
- In a significant development, Brick and Mortar branches of Commercial Banks covered 970 out of 978 Gram Panchayats and the remaining 8 Gram Panchayats are expected to be covered by 30<sup>th</sup> September 2014.
- 1856 ATMs have been installed during the current financial year, taking the total to 6730. With this for first time, ATMs have outnumbered the branches in the state. The ideal ratio is 2: 1 and we are moving to that stage
- Total business of commercial banks in the state, crossed Rs. 4.72 lac crore mark, with Rs. 2.79 lac crores of deposits and Rs. 1.92 lac crores of advances.
- NRE deposits constitute 34% of total deposits and the NRE deposits have grown with a phenomenal Y-o-Y growth rate of 42% helping the country in foreign exchange reserve
- The performance of Banks under priority, agriculture and weaker sections, is well above the mandatory levels of 40%, 18% & 10% of Gross credit with outstanding levels of 59%, 25% and 22% respectively.
- In yet another major achievement, he informed that Financial Literacy Centres have been opened in all the 152 blocks of the state, and Kerala is the first state in the country to open FLCs in all blocks. He urged upon the banks to improve the quality of FLCs. He placed on record the heartfelt appreciation for the contributions of all the fourteen major banks, who were instrumental in achieving this feat.

The State has performed well under most of the parameters. But there are a few concern areas, requiring immediate attention of all.

## Fall in CD Ratio

Fall in Credit Deposit Ratio has been one such area of concern. Kerala continues to be the hub of Non-resident deposits and phenomenal increase in NRI deposits coupled with tardy growth of advances, have brought down our CD ratio to 69% as at March 2014, from 76% as at March 2013. NR deposits have witnessed unprecedented growth rate of 42%. Though growth in deposits is a welcome trend, the growth rate of advances has not kept pace with the deposits and in fact the growth rate in advances has come down from 17.28 % to 9.67 %.

Sri. Dubey urged upon banker friends to take a serious note of this declining trend. He requested banks to explore newer areas of lending, look for opportunities for credit expansion and extend finance to all bankable ventures. It is found that the Agricultural advances have grown by mere 8 %, Other Priority Sector Advances by 6 %, which indicate that the potential in these areas is yet to be harnessed. The Government of Kerala has announced various packages for the farmers, to increase agricultural production, and bankers can play an active role in extending investment credit in agriculture, which would go a long way in boosting productivity and income per unit of land. Housing and education loans are few of the areas where the desired attention is not given. Agro processing and small and medium industries offer an excellent scope for credit expansion and to augment credit growth, there by attaining a desirable CD ratio.

## Exploitation by Money lenders

One more concern area is exploitation of individuals by Private Money lenders at exorbitant rates of interest, leading to unfortunate events. The State Government has launched swift action to crack down illegal money lenders through "Operation Kubera". At the request of the State Government, a special SLBC meeting was conducted on 22<sup>nd</sup> of May 2014, in which the forum decided on a two-pronged strategy to combat this issue.

- (i) to devise a scheme, to take over the debt of individuals from moneylenders and
- (ii) to make available, hassle free and easy credit to individuals from banks so that they do not resort to borrowing from money lenders at higher interest rates.

A lot of publicity needs to be given for which SLBC Convenor to sit with other banks to decide a big publicity campaign in both visual and print media.

In this direction, the sub-committee has come out with the recommendations for an exclusive scheme called 'Rinn Mukthi', which has already been circulated to all banks and placed in this forum for approval.

Bankers have a significant role to play in the well being of the financially excluded population. We need to be sympathetic towards the needs of those for whom, the banking credit is still a distant reality. In this direction, banks need to promote collateral free loans like Inbuilt Overdrafts, DIR, Loans with CGTMSE coverage and Education loans, to prevent people from approaching money lenders for their credit needs. Only then, the banks would have done their duty to the society, he felt.

Canara Bank has launched an awareness campaign through their Financial Literacy Counselors to spread the message of easy credit through banks so as to keep the money lenders at a distance. He informed that in the website of SLBC, a provision would be set up for online complaints by any individual from anywhere in the State so that their concerns are collected at one nodal point and addressed and resolved by concerned bank . He requested all bankers to take similar steps, in tune with the efforts of the State Government to liberate the individuals from the clutches of the money lenders. The subcommittee has also resolved to extend 10 Instant Overdraft facilities per branch, which may be complied with, in letter and spirit.

He requested the forum to discuss the 'Rinn Mukthi' scheme and approve the same for adoption by all banks in the state.

### Flow of Credit to MSE Sector

Coming to the flow of credit to the MSE Sector, the state has registered a healthy growth rate of 36% against the target of 20%. However, the share of Micro Enterprises to total MSE is only 45% as against the national goal of 60%. The SLBC should form a special task to work on it. The mandated 10% growth in the number of accounts under Micro Enterprises, is narrowly missed with an achievement of 9.54%.

He requested the bankers to concentrate on lending to this sector duly covering all eligible cases under the CGTMSE scheme.

The Ministry of Finance, Government of India, recently has come out with the draft guidelines on "Sampoorn Vittiyea Samaveshan (SVS), which symbolizes the "Comprehensive Financial Inclusion" on mission mode, for adoption across the country.

The approach paper circulated to banks says:

"The campaign had focussed only on the supply side, by providing banking outlets but the entire geography could not be covered. It also came out that some technology issues hampered further scalability of the campaign, the deposit accounts so opened under the campaign had very limited number of transactions and the task of credit counselling and Financial Literacy did not go hand in hand. Consequently the desired benefits were not visible. Learning from the past, the present proposal of SVS is, therefore, an integrated approach to bring about comprehensive financial inclusion on mission mode."

As observed in the approach paper, the state has a sizeable number of inactive accounts, out of the 46 lakh accounts under no frill category. Now our endeavour must be to make these accounts live and operative. A meaningful financial inclusion can be achieved only when account holders learn the habit of thrift, insurance and avail credit facility through these Basic Savings Bank Deposit (BSBD) accounts.

### Swavalamban

Referring to Swavalamban - National Pension System, Sri. Dubey said that one of the FI initiatives of the Government of India is to provide income security at old age, to persons belonging to unorganized sector. It is not taking well in Kerala. Banks, with well spread out networks in the state, can play a pivotal role in implementation of the scheme.

There is a felt need to enhance participation of all banks through capacity building and awareness development programmes by sensitizing the branches about the scheme. He requested the banks and the social welfare agencies to give due publicity to this scheme.

### Education and Housing Loans

Referring to Education and Housing Loans, he said that Educations loans continue to be our top priority. Aspirations of an average family would be to build a house of their own and provide good education to their children. By addressing these two requirements of the individuals, Banks can not only make difference in their lives, but also fulfil social obligations and achieve their business goals. As already indicated in the earlier part of my speech, these are few areas where the potential has not been harnessed to the full extent. This will also help to address the issue of declining CD ratio.

### Opening of FLCs in all the Blocks

The banks in the state have made laudable achievement in opening Financial Literacy Centres. It was a long cherished agenda of the SLBC to provide FLCs in all the 152 blocks of the state. This stupendous task was assigned to 14 banks and he noted that these banks have stood by the decision of the SLBC in making this unique feat possible. All bankers have made the state proud in ensuring this distinction of 100 % coverage of blocks with FLCs. He placed on record his appreciation for all those banks in making this feat possible. Now we have a greater responsibility of making these FLCs fully functional in achieving the ultimate goal of creation of awareness of the banking and financial facilities available to the financially excluded segment. He urged upon LDMs and controlling heads to make them live by providing people who are proactive He also urged upon LDMs to follow up with all the FLCs till they are fully functional and periodically update the SLBC in this regard.

### Opening Brick & mortar Branches in all Villages

It was yet another ambitious agenda of the SLBC to ensure that the banking services through brick and mortar branches, is extended to all the 978 Gram Panchayats of the state. The banks have opened 22 branches out of the remaining 33 unbanked Gram Panchayats so far, and informed that three more branches are opened by Canara Bank the day. Some of the banks had expressed inability in opening branches in few Panchayats. Accordingly these Gram Panchayats were allotted to Canara Bank and Kerala Gramin Bank and the branches have already been opened by them.

With this, at present left with another 8 Gram Panchayats, where brick and mortar branches are yet to be opened. Out of 5 Panchayats, Union Bank of India in 3 Panchayats, SBT and Vijaya Bank, in one each, have committed to open branches. Shifting of existing branches by KGB and SBI, is expected to take care of two Panchayats. The forum shall deliberate in the meeting about the progress and the definite plan of action to cover all the unbanked Panchayats within 15<sup>th</sup> of August. If these banks have any problem in opening these branches, they may inform this forum and if so, Canara Bank or its RRB shall open these branches by 15<sup>th</sup> August . We would not like to drag this issue on and on.



Coverage of all sub Service areas with Banking infrastructure continues to be the top agenda of the Finance Ministry. Mapping of Sub Service areas in all the 14 districts has been completed and 1920 SSAs have been identified for coverage. Of these, 1102 SSAs are already having Akshaya Centres, which are tied up for providing Kiosk Banking solutions. Though the state has made significant progress in this regard by coverage through Akshaya centres, still the technological issues need to be addressed. We need to make all these Akshaya centres, fully functional. He called upon bankers to plug gaps in technology and branch level acceptance of these Common Service Centres.

As in the past, we have performed reasonably well under the Government sponsored schemes. Under PMEGP, we have done exceedingly well. Here again recovery is a matter of concern. He requested the nodal agencies to join wholeheartedly in the recovery efforts of the Banks. LDMs need to chalk out lokadalat campaigns in consultation with their controlling offices for recovery.

Banks also serve the society through their Corporate Social Responsibility programmes such as Village adoption, Construction of houses, Scholarships to students and many other education and environmental initiatives. Often these initiatives are silent deeds that do not get reflected in the appropriate forum. He sincerely appreciated these silent deeds from the banks.

In conclusion, on behalf of the convener Bank, Sri. Dubey extended thanks to the Central and the State Governments and various developmental agencies for the excellent support and co-operation rendered to the banking sector in the State over the years. He reassured the State Government, on behalf of all the member banks, that banks shall stand with the Government in Socio economic development of the state in future also. He then requested the bankers to actively deliberate on various issues to arrive at logical conclusions.

**Sri. K. M. Mani**, Hon'ble Finance Minister, Kerala in his address pointed out the following for the consideration of the forum.

- Credit Deposit Ratio has come down to 68.66%, the banks should raise it to the national average of 76.75%. SLBC would definitely try to raise the CD Ratio at par with national level at least.
- In the event of death of loanees in case of Education Loan and Agriculture loans taken by the EWS, the loan should be written off.
- Discrimination on merit and management quota candidates under Education loan has to be removed.
- SLBC to ensure that new generation private sector banks are advancing more loans towards Education and agriculture sectors. The agriculture advances of the nationalised banks in Kerala is only 30.28 % while in Private Banks it is only 15 %
- Advances to Agriculture sector needs to be enhanced. Commercial banks have increased their advances under Agriculture by 8.33% that is quite welcome measure. He hoped that other banks also would follow this.
- SLBC should take initiative to expedite the implementation of Rinn Mukthi Scheme, a scheme for redemption of loans taken by distressed persons.
- ATM with cash deposit facility to be established at the locations where more Government offices are situated.

- Government of Kerala has decided to adopt Government of India's interest subsidy on Education loans availed during 2004-09 and all banks may co-operate with this for effective implementation.
- Since there were large number of applications for housing loan from EWS & LIG. Banks may give priority to implementation of the Rajiv Rinn Yojana and clear all pending applications within 3 months.

**Sri. R. K. Dubey**, Chairman of the meeting responded that bankers are committed with the support of RBI and NABARD to take the CD Ratio of the State from 66 % to 77%. The main focus would be given towards Education loans and agriculture loans. He urged upon the banks which are having share of education and agriculture loans less than that of the stipulated norms should take proactive steps for increasing their advances. He added that there was tremendous response from all banks regarding Rinn Mukthi Scheme and the forum would adopt the scheme for implementation in the State as per the wishes of Government. ATM with cash facilities are made available in the State. Regarding pending applications under RRY, he informed that a mechanism would be created at SLBC level so that pending applications would be attended favourably within the next 3 months time and the progress would be reported in the next SLBC meeting.

**Sri. Ramesh Chennithala**, Hon'ble Minister for Home & Vigilance, Kerala in his address highlighted the following points.

1. Credit Deposit Ratio of the State has to be enhanced
2. Primary duty of the State Government is to restrict all kinds of unlawful financial activities by unscrupulous moneylenders taking place in the state for which Home Ministry had started "Operation Kubera" with the support of finance ministry and it has been successfully going on in the State. Unfortunately banks and cooperative institutions are not coming forward for extending easy loans to the needy. As a social responsibility, banks are committed to help these people and some more efforts have to be taken. He requested the forum to adopt a policy for providing easy loans, so that the people should not suffer at the hands of unscrupulous money lenders.
3. Kudumbashree is the most important and primary flagship programme of Government of Kerala. More help and assistance should be rendered to SHGs other than Kudumbashree also. Banks to give more direction to their branches at ground level for providing more assistance to these SHGs which would help the poor and vulnerable societies in the State. 99% of recovery of loans has been ensured by Kudumbashree. As such there is an encouraging recovery mechanism by other SHGs also.
4. There were so many complaints on Education loans received. Education Loans have been provided according to the marks. Management quota candidates are denying the facility of Education loan, that aspect has to be taken care of and a liberal attitude should be taken in this regard.
5. District level bankers meeting should be organised immediately under the leadership of District Collectors and whatever decisions are taken that has to be percolated down so that the Bank Managers can implement programmes easily at the ground level.

6. Since so many complaints received on unrecognised NBFCS, a letter was written to the RBI Governor and Government received the reply stating that he had already given instructions to RBI, Trivandrum to look into this aspect. NBFCS have to strictly adhere to the fare practice code given by RBI. RBI has to take strict action against the NBFCS violating the rule and ask them to comply. These NBFCS are not publishing the interest rate in news papers as well as their website/notices. Since no action has been taken in this regard, RBI has the duty to restrict these NBFCS.
7. Awareness campaign has to be arranged. Government of Kerala has already started awareness campaign to those people who are unfortunately become a prey to these kind of unscrupulous money lenders. Government have a system at Taluk level. Educate the people through FLCs. A vigorous awareness campaigns should be taken out with the facilities available to banks.
8. Banking facility has to be ensured in remaining 10 unbanked panchayats.

Responding to this, **Sri. R. K. Dubey**, Chairman of the meeting assured that all banks would extend support to Government for the action against unscrupulous moneylenders and ensure that banks loans would be provided to deserving persons. He informed that:

- Kerala is the only State where FLCs opened in all the 152 blocks. The purpose of FLC that people gets awareness about everything lawful.
- Rinn Mukthi Scheme would be approved in the meeting and the progress of the scheme would be monitored by the Sub-committee of SLBC.
- At present 5 unbanked panchayats are left, of which for 3, Union Bank of India and for 2 other banks have given assurance for opening bank branches within the month end. Otherwise Canara Bank and its RRB would open bank branches before 15.08.2014.
- An online complaint redress mechanism has to be created at SLBC for which adequate publicity would be given along with toll free number so that anybody in the State can lodge complaints and would get reply and resolution within a reasonable time. The cost will be born by the Convenor.
- He pointed out that bankers cannot survive without lending. Deposit growth of NRE stood at 42% against the norm of 20%.
- During the last financial year deposit growth was abnormally high that is why, C D Ratio has gone down. During the current financial year, it would be covered as desired by the Hon'ble Finance Minister.
- Priority sector lending in Kerala stood at 59% against the norm of 40% which is one of the highest in the country. Agriculture stood at 25% against 18%, weaker section stood at 22 % against 10%. Bankers would be focussing only to priority sector and poor people. Gaps have to be found out and sorted out at the right time.
- Public sector banks are only extending Education loans. Meritorious students definitely get the loans and the condition on management quota students, has been relaxed by RBI. Officially, those students who got admission through management quota by paying more amounts are also eligible for loans. No banker can deny Education loan. The proposed Grievance Redress site will take care of the public grievance in Education Loans as well. Kerala would be among highest under lending on Education loan followed by Tamil Nadu and it would remain and improve further. SLBC would take up with District head quarters to activate further the functioning of DLCC/BLBC in all districts further, so as to make faster dissemination of information as well as better implementation.

Responding regarding restriction towards unrecognised NBFCs, **Sri. Nirmal Chand**, Regional Director, RBI clarified that RBI has already given suitable direction in this regard. Apart from this, RBI had conducted awareness campaigns, putting stall in festivals, posters, publicity campaigns would be done through banks. RBI is conducting frequent inspections to ensure that NBFCs are following the KYC compliance as well as fair practice code and wherever aberrations are found out, RBI would take strict action. RBI had started special scrutiny in Kerala for this purpose. RBI would definitely act, if complaints are received. He quoted an example that, a big NBFC which was floated against norms have been imposed a penalty of Rs. 5 lakhs and another case RBI had issued showcase notice for cancelling 5 year registration. RBI would examine more such NBFCs registered with RBI norms.

**Sri. G. Madana Mohan Rao**, General Manager, State Bank of Travancore informed that SBT is having the share of 27% of the Education Loans sanctioned in the State and 6<sup>th</sup> position in the Country.

**Sri. K. P. Mohanan**, Hon'ble Minister for Agriculture, Kerala in his address touched up on the following points.

- A complaint received against SBT for non sanctioning an Education loan of Rs. 11 lakh mentioning the reason that since the student cleared the qualifying examination in several attempts, this cannot be considered as meritorious student. He requested SBT to re-examine the case.
- Farmers Producers' Organisations (FPOs) may be funded liberally by banks
- Agro processing is a priority sector - Kerala got the first certified centre at Nadukkara for export of vegetables and fruits.
- Banks may liberally provide assistance to VFPCCK, which is the largest vegetable and fruits producer Farmers Company in the country.
- Kerala is promoting organic products and "Safe to Eat Agriculture Products" and going to brand it as "Made in Kerala, Safe to Eat Agriculture Product" with collaboration of CII .Banks may finance organic farmers and producers company
- Kisan Credit Cards may be given to all the 18.77 lakh registered farmers. Government is going to distribute KCC before August 17, 2014, the Agriculture day.
- Poly house and Agricultural loans are insured under extended insurance scheme – Bankers to liberally support..
- Global Agri Meet is scheduled on 16<sup>th</sup> & 17<sup>th</sup> November 2014 in Kochi, solicited participation from banks.

**Sri. E. K. Bharat Bhushan, IAS**, Chief Secretary, Government of Kerala in his address touched up on the following points.

- Kerala is forefront in many parameters which RBI takes into account. Kerala is a unique State because of the model of developments followed in the State. Kerala State is facing many difficulties compared to other States regarding fund requirement.

- Kerala is having probably highest density of branches and every grama panchayat has a branch.
- Opening of FLCs in all blocks in the State was an outstanding achievement. He extended congratulations to the banking community for the innovative thought.
- In Kerala there were illegal funding agencies which led to a lot of unpleasant instances and lose of certain lives. Now the Kerala Government has cramped down these illegal agencies, as a result of which, there is a squeeze in the availability of rural credit. Banks being on the legal side of the table must come forward with greater vigour to help the people facing such difficulties and extend quick funding without procedure delay.
- Funding of MSEs has to be increased.
- Primary sector lending for the last 2 years, 2012-13 & 2013-14 shows a disturbing declining trend which have to be corrected. As per the statistics, achievement against target has come down compared to previous years. Banks have to particularly look at this aspect.
- Credit Deposit Ratio has come down for which it was suggested that credit flow to be increased in agriculture and industries sectors.
- There was a proposal coming from State Council of Ministers often, that is to write off agriculture and education loan of economically weaker sections, in the case of death of the loanee.
- New generation private sector banks must step forward and improve their lending to Primary sector and Education purposes
- Installation of Cash Deposit Machines and ATMs by banks at Government offices to facilitate more Government Business.

In conclusion, he offered Government Guest House for convening SLBC meetings in future.

**Sri. V. Somasundaran, IAS**, Additional Chief Secretary, Finance Department, Government of Kerala in his address touched up on the following points.

- Government of India Interest subsidy on Education loan scheme for subsidising loan taken during 2004-09 is more advantageous for the borrowers than the State Government scheme. So State Government has decided to adopt the central Government scheme. He requested cooperation of all banks in effective implementation of the same
- In the housing sector there are large number of loan applications from economically weaker sections and low income groups. Under Rajiv Rinn Yojana the limits has raised from Rs. 5 to Rs.8 lakhs. Applications under the scheme should be disposed off within the timeframe. Priority should be given to this sector because identified need for housing in these sectors in Kerala is very high. Between 10 lakh and 12 lakh housing units would be required for the houseless economically weaker sections and low income groups.
- E-governance, recently Government of Kerala had signed an agreement with NDML for setting up payment gateway for all Government services, payment of fees and even in long run, taxes and so on. Department of Electronics, Government of India have promoted this gateway. Any scheduled bank can offer their services on the payment gateway. He requested that banks may join this venture so that services to citizens can improve.

Speaking on the occasion, **Sri. P. H. Kurien, IAS**, Principal Secretary, IT & Industries informed the following.

- One reason for low credit growth in MSME may be that loans given to groups are not reflected properly
- Under MSME Sector, some of the banks are not extending credit guarantee to loans. SLBC to find out the list of banks and take corrective action.
- In Weavers Credit Card scheme, out of the target of 10000 WCC, only around 1400 applications are sanctioned till date. A meeting of Handloom related people is scheduled on 01.07.2014, SLBC may attend the meeting where strategies would be worked out for achieving the target under the scheme.
- Artisan Credit Card scheme also not picking up well. The scheme requires adequate credit from banks.

Responding to this, **Sri. R. K. Dubey**, Chairman of the meeting pointed out that credit guarantee is being done by banks as additional priority, SLBC would check up the data and take up with the head quarters of those banks which are lagging under credit guarantee loans. SLBC in its quarterly meeting should review the performance of WCC and ACC regularly and monitor the performance of banks.

**Sri. K. R. Jyothilal, IAS**, Secretary, Agriculture Department in his speech, pointed out the following.

- He extended thanks to Chairman & Managing Director of Canara Bank for extending funds towards Agri Card. Database of farmers is available in the web [www.kisan.gov.in](http://www.kisan.gov.in) which contains Panchayat wise details of farmers' unique id, address, bank account and all details of farmers including UID number. Two rounds of meeting had been convened for developing the portal.
- The Agriculture Department is going for Farmers Producers' Organisations which are registered companies. The 12 registered FPOs for coconut is a unique model where the equity is given as coconuts. These 12 companies have prepared DPR for Neera production. The Government has amended the excise act and given the license to produce to Neera to these FPOs and Rs. 4.5 crores is the average cost. Coconut Development Board and Government of Kerala would bear cost of 25% each and remaining 50% would be needed as Bank funding. Hon'ble Finance Minister had announced that Government would extend interest rate subsidy of 5% toward more long term investment in agriculture. Similarly one FPO for fruits and banana is also there, which has gone into processing in Trivandrum. Banana, Pineapple, Vegetable FPOs are there. Government would like to make Poly houses also into FPOs instead of individual units. By September 14, 2014 another 14 more FPOs for hi-tech farming company would be in place. Instead of individual financing, Banks should finance to FPOs which have the advantages of common inputs. They can bargain and procure inputs, common facilities can be provided and marketing would be much easier.
- Referring to Crop Insurance, he informed that Government is planning to have a income guarantee based on cost of cultivation of crop. Cost plus 20% income has to be guaranteed. Government is negotiating with insurance companies and by 28<sup>th</sup> June, 2014 they would give the report. The insurance scheme would cover drought, flood, pest, disease, price fall etc. The Banks may concentrate on the registered farmers of 18.77 lakhs first.

- Government is planning to have a Global Agri Meet and exhibition of bio pack for all the organic products in the country for which he solicited bankers' participation.
- Policy decision would be taken on Lease Land Farming. Government is promoting lease land farming with Kudumbasree groups and SHGs, It can be thought of, in a bigger way, so that more people can come into the farming sector.
- In Poly house financing, insurance has to be built in the finance so that any case of damage of poly house can be covered.

**Sri. Nirmal Chand**, Regional Director, RBI in his address observed that one thing is praiseworthy about SLBC Kerala, was that 3 groups were formed for deliberating the assigned topics of primary, secondary and tertiary sectors and the recommendations / findings of the groups would be placed before the plenary session of the SLRM which he had not witnessed in earlier SLBC meetings he had attended in other States. Then he made the following remarks on the performance as at March 2014:

- Banking sector in Kerala had surpassed in almost all the parameters of various sectors well above the national average for which all deserves appreciation.
- There is a dip of around 8 % in Credit Deposit Ratio of the State compared to all India average. It is high time to increase advances under MSE sector, Investment credit in agriculture so as to increase the CD Ratio.
- Referring to credit to vulnerable sections of society, he noted that great initiative has been taken for formulating a debt swap scheme by both the bankers and Government, which will come for discussion in the meeting. Banks in general have to extend financing to the small, poor and vulnerable and increase the quantum of micro credit which may be covered under DRI scheme also. If banks can provide financing at concession rate of interest of 4 % many needy borrowers can be covered under this scheme In Kerala advances under DRI scheme is 0.03 % of total advances of previous year and quantum of finance has to be increased from Rs. 25,000/- to Rs.50,000/- depending upon the category.
- RBI had advised, under the flagship programme on financial inclusion, to provide Inbuilt Overdraft facility to SB account holders. People are not coming for availing such loans because of the documentation formalities and cumbersome procedures of banks, which has to be minimised.
- Only when various schemes like KCC, GCC and products where financing for consumption is inbuilt are encouraged, people would come forward.
- Financing to MSME sector has to be increased. As per feedback received from the public, proper awareness of schemes and products has to be given to the public.
- Opening of FLCs in all the 152 blocks in the State is a big achievement through which we can spread awareness about banking among the people.
- The facility of Business Correspondents to be enlarged because bank branches cannot be set up everywhere and the last mile connectivity can be done through BCs only. Encouragement of BCs would be for the benefit of banks.
- Under Financial Inclusion Plan 2013-2016, opening of branches, appointment of BCs, issues related to KCCs, GCCs will take care of the emergency needs of the masses. How these products can help the vulnerable people in the society? The feedbacks received from field level shows that there is no awareness among the people in this regard. State Government and banks have to come forward for

conducting awareness campaigns to the public. The initiative of SLBC declared by the CMD of Canara Bank in starting an online complaint redressal mechanism is a good initiative. It would be a land mark feather in the history of Kerala SLBC.

**Sri. Ramesh Tenkil**, Chief General Manager, NABARD in his address pointed out that SLBC, Kerala is very active forum and continues to be more effective due to cooperation from banks and Government. He congratulated the bankers in the State for the contribution to achieving all the targets set out in ACP. At the same time some of the banks with great outreach have not achieved the target set under priority sector which would reflect the commitments of this sector to the growth of the State. Therefore he requested that their efforts would be doubled in achieving the targets and he trusted that next year all the banks would achieve their targets well in time. He then highlighted the following points.

- Referring to the undue share of Agricultural Gold Loan, he informed that as a regulator RBI has been cautioning and advising banks to desist from this practice and ensure that the loans issued are accounted as per its utilisation.
- As a positive step, Government of Kerala has announced a scheme extending support to promote investment credit in Agriculture. He made a request to all banking colleagues to use this opportunity to correct the distortion and also to increase the share of agriculture term loan in the portfolio of loans under agriculture.
- He expressed happiness that Lead bank has really taken a lead in promoting JLGs in the State. The Bank disbursed around Rs. 88 crores during last year. Bank's initiative along with Kudumbashree has facilitated this achievement. He appreciated all other banks has a credit flow of JLGs have increased tremendously.
- Some representations were received regarding charging of excessive interest rate and denial of credit to JLGs by some of the banks. Considering the social responsibility and confidence and success of group based approach of lending, he requested to calibrate a policy tuned to the reality at ground level and ensure that eligible JLGs and SHGs are not deprived of credit at an affordable cost. Basically banks have to focus these two elements of micro finance, the JLGs and the SHGs.
- He appreciated Government for its farmer friendly policies the recent initiatives like interest subvention for term loans and creation of data base of farmers which would go a long way in facilitating credit flow to the genuine farmers.
- While reviewing performance, he observed that all the banking groups except cooperative banks have achieved or exceeded their targets. Cooperatives with 22.15% of total strength in the State could achieve only 85% of the target. Out of the total credit of Rs. 1.27 lakh crores disbursed, the share of agriculture credit is 33.66% and share of priority sector lending is 70%. Even though achievement under the primary sector 123 % of the target, the issue of concern is that the achievement under term loan is only 60% of the target, which is only 14% of the total agriculture credit target. If the capital formation in agriculture has to increase banks will have to find avenues to step up investment credit. 33.5 % of the total priority sector lending is agricultural gold loan amounting to Rs. 30,105 crores. Controlling Offices of banks to ensure that RBI guideline on Gold loans is followed by every branch.



- He emphasised on the role of JLGs. Banks can explore the potential in the real agriculture sector by supporting JLGs, farmers clubs etc. JLGs are effective tool for increasing the agriculture crop loan and term loan. JLG lending in the State shown a growth from Rs. 45 crores to Rs. 174 crores, in which, Canara Bank has taken a highest share of Rs. 88 crores. He congratulated Canara Bank for the initiative.
- It was observed that some of the banks having large number of branches in Kerala were not lending to JLGs. It was also noted that some banks were charging high Interest rate to loans to JLGs/SHGs than that is prevalent in the State. Banks should realise that JLG lending is a business opportunity.
- Such an enabling Government and proactive supporting banks, he expected that, would be able to contribute to the growth of the State and significantly for the welfare of the State. He once again requested all the stake holders for wholehearted cooperation and support.

**Sri. R. K. Dubey**, Chairman of the meeting observed that SHG funding has been very popular and JLG funding has been starting late which is becoming very popular in farming community. He requested to bring parity and sanity among lenders in lending to JLGs where recovery rates are much higher than individual lending. Term loans to agriculture are relatively less. This also needs to be taken up. Farmers clubs are creating awareness among the farmers for which NABARD encourages and gives subsidy also.

The house then proceeded to consider the presentation of the groups and the agenda items. **Sri. K. R. Balachandran**, Convenor SLBC Kerala & General Manager, Canara Bank guided the proceedings.

## **1. ADOPTION OF MINUTES**

The forum adopted the minutes of the 112<sup>th</sup> meeting of SLBC, Kerala held on 21<sup>st</sup> March, 2014, which was forwarded to the members vide Convener's letter SLBC 35 70 2014 KRA dated 09.04.2014 without any amendments.

Thereafter, the leaders of the group were invited to present the reports and recommendations for consideration and deliberations of the house.

## **2. ISSUES FOR GROUP DISCUSSION ON PRIMARY SECTOR (GROUP I)**

(**Sri. K. Babu Ganesh**, LDM, Idukki, the leader of Group-I presented the report of the group).

### **2.1. Review of Performance under Annual Credit Plan 2013-2014**

#### **2.1.1. Bank wise Performance – Primary Sector**

The Group noted the performance under Primary sector as follows:

The Banking sector in the State has crossed the credit disbursement target under agriculture by 123.48% for the year 2013-14. Banking group-wise analysis shows that except co-operative sector, all other banks have achieved the target. Co-operative sector could achieve only 84.98%. KSCARD Bank informed that since they are not getting

interest subvention for short term agricultural loans from Government of India and refinance from NABARD, the credit flow to agricultural sector is marginally low. NABARD has informed that since KSCARD Bank is not a scheduled bank, Government of India is not providing interest subvention. Regarding service co-operative banks, since they are not meeting the CRAR and net worth requirements, they are not eligible for getting refinance from NABARD for short term agricultural credit.

Bank-wise analysis shows that Catholic Syrian Bank has achieved only 57.49% of the annual target. Analysis shows that the credit to agricultural sector of the Bank is comparatively highly priced which may be one of the reasons for the poor credit off take in CSB. Interest subvention recently made available to private sector banks is restricted to branches situated in rural and semi-urban centres. Branches located in urban centres/metro centres are not eligible for interest subvention benefits.

The Group recommended the following:

- *SLBC may take up with GoI (for extending interest subvention and incentive for prompt repayment to KSCARD Bank) and with NABARD (for providing refinance to short term loans. (Action: SLBC Cell / NABARD)*
- *State Government may augment the capital position of co-operative sector for enabling them to avail refinance from NABARD. (Action: Government of Kerala)*
- *Co-operatives to improve the recovery position for improving their rating for availing refinance. (Action: Co-operatives)*
- *100% submission of LBR 2/U2 returns to be ensured (Action: Banks)*
- *Benefit of interest subvention may be made available to branches of private sector banks located in urban/metro centres. (Action: Reserve Bank of India)*

*Sri. Ramesh Tenkil, Chief General Manager, NABARD clarified that like Kerala State Co-operative Bank, KSCARD Bank should be able to meet the 4% CRAI norms which is RBI norms, then only the bank would be eligible for refinance.*

*Regarding benefit of interest subvention to be made available to branches of private sector banks located in urban/metro centres, Sri. K. Santhakumar, Deputy General Manager, RBI clarified that it is Government of India scheme, so this may be taken up with Government of India a special case (Action: RBI)*

### **2.1.2. District wise Performance under Primary Sector**

The Group noted the district wise performance under Primary sector as follows:

The achievement of Pathanamthitta District is only 84.12%. All other districts have crossed the target. Historically, the credit absorption of Pathanamthitta District is comparatively poor as is evident from the CD ratio of the District (40.14%), which is the lowest in the State. A good percentage of the people from the District are NRIs. Some of the farmlands are kept fallow. Major area in high land is under rubber cultivation and the low lands under paddy and vegetable cultivation. Wet lands are not properly utilized. Banks are not able to finance individuals for cultivation in leased land due to certain legal issues.

The Group recommended the following:

*Bottlenecks for financing for cultivation in leased lands to be removed and legal formalities to be simplified. Banks may be directed to lend for cultivation on leased land up to a limit of Rs.1 lakh to individuals by obtaining suitable declaration from farmers. Banks may also step up JLG financing for leased land farming.*

*Responding to this, representative from Directorate of Agriculture informed that at present lease land cultivation is promoted by the Agriculture Department. The problem is that lease land cultivators are not getting adequate loans from banks. Lease land cultivators in groups and sometimes padasekhara samithis have taken fallow lands for cultivation. The problem may be solved at the earliest.*

*Smt. K. B. Valsalakumari, Executive Director, Kudumbashree informed that Kudumbashree would provide interest subvention to JLGs only if it reflected in the banks statement that the loans is given at the rate of 9% or less. Somehow the format that is given by banks reflected that the interest rate would be 10%, 11%, 12 % etc, even though they may be charging 9 % only. Kudumbashree cannot give interest subvention to JLGs if Rate of Interest is recorded as 12%. She requested that bankers should show the interest rate as 9 % or less than that, then only Kudumbashree would be able to give subsidy from their state plan fund to the tune of 5%.*

*It was decided in the forum that, Kudumbashree to provide the name of banks specifically to SLBC Cell in writing. SLBC would take up the matter with RBI.*

**(Action: Kudumbashree / SLBC)**

## **2.2. Agriculture Advances**

The Group noted that Banking Sector as a whole the state has achieved 25.42% of their advances under Agriculture as against the mandatory target of 18%. However, Private Sector Banks could achieve only 16.73%. The reason attributed is that the interest subvention facility was provided to private banks only towards the end of the financial year.

## **2.3. Performance under Kisan Credit Card Scheme**

The Group observed that the outstanding number of loan accounts under KCC is 17.31 lakhs and the amount outstanding is Rs.10,961 crores. 18.77 lakhs registered farmers are there in the State as per data available in the website of Agriculture Department. PAIS coverage is only 38%.

The Group recommended the following:

- *Banks to access the website of the agriculture department and make use of the list of farmers for coverage under KCC scheme. (Action: Banks)*
- *Krishi Bhavan to sponsor the uncovered registered farmers to banks for financing under KCC scheme. (Action: Agriculture Department)*
- *Banks to ensure 100% coverage of KCC borrowers who are below 70 years of age under PAIS. (Action: Banks)*

*Representative from Directorate of Agriculture informed that Agriculture Department had already given directions to the ground level officers in this regard and contact with banks so as to enable to provide KCC to the needy registered farmers.*

#### **2.4. Agri-Clinics and Agri Business Centres**

The Group observed that the credit off take under the scheme is very poor. The outstanding under the scheme is less than Rs.3 crores in 75 accounts. The reasons attributed for the low performance is due to the fact that the graduates/diploma holders/VHSE certificate holders in agriculture & allied sectors prefer to take up a permanent employment rather than going for agri- business.

*The Group recommended that the scheme may be popularized by the stake holders and it should make more attractive offering package of incentives.*

*Representative from Directorate of Agriculture informed that trained agri entrepreneurs are not coming forward to enter into the enterprise and Directorate is going for a project for assist them.*

*(Action: Agriculture Department)*

#### **2.5. FRESH ISSUES**

##### **2.5.1. Waiving bank charges and commissions in respect of the accounts maintained by State Horticulture Mission-Kerala (Suggested by State Horticulture Mission-Kerala)**

The Group noted that banks, except Indian Bank, are charging commission/bank charges for transfer of funds from the accounts maintained by State Horticulture Mission. Since the system is debiting commission automatically, the banks are required to deal with such cases individually.

*The Group recommended that SHM may write to concerned bank branches where they are maintaining their Account for exemption of commission/bank charges for enabling the banks to take up with their higher authorities for considering the exemption.*

*(Action: State Horticulture Mission, Kerala)*

##### **2.5.2. Implementation of Milk Shed Development Programme for 2014-15 (Suggested by Dairy Development Department)**

The Group noted that the Dairy Development Department is having credit linked subsidy scheme for dairy units/heifer rearing units under the Milk Shed Development Programme. The banks want clarity as to whether the subsidy is back ended or front ended.

The Dairy Development Department has clarified that the subsidy is front ended and the same is to be incorporated in their application form.

*(Action: Dairy Development Department/ Banks)*

### **2.5.3. Compliance of RBI guidelines on Agricultural Gold Loans sanctioned by Scheduled Commercial Banks** (Suggested by Registrar of Co-operative Societies)

The Group noted that some of the banks are granting loans for agriculture purpose on the security of Gold ornaments without adhering to RBI norms such as scale of finance, pre-sanction & post-sanction visits, seasonality of cultivation etc.

*The Group recommended that all banks to meticulously follow the guidelines from RBI for lending under AGLs.*

**(Action: Banks)**

### **Fresh Agenda item suggested by the Group**

#### **2.5.4. Insurance for poly houses**

At present, there is no scheme for insuring poly houses financed by banks on the plea that poly houses are not permanent structures. Insurance coverage may be provided to poly house structures & crops grown also at affordable premium rates.

*Since this is serious issue, Dr. K. Prathapan, Director of State Horticulture Mission-Kerala assured to meet with insurance people to sort out the issue.*

**(Action: State Horticulture Mission - Kerala)**

## **2.6. PENDING ISSUES IN SLBC & ACTION TAKEN REPORT**

### **2.6.1. Allocation of Agri. Term Loan (ATL) - Agency-wise target in each Financial year to promote investment credit and Capital formation in the sector**

It is observed that term lending under agriculture is comparatively very low, the percentage of achievement being 14% and hence there is an increased need to ensure adequate credit flow to this sector for increasing the capital formation.

*The Group recommended the following:*

- *Agriculture department to scout for bankable projects suited to individual farmers and sponsor them to banks for financing. Model bankable projects can be prepared in co-ordination with SLBC and made available to the Agricultural Officers and Bank Managers.*
- *On pilot basis, one or two potential Krishi Bhavans/other concerned departments in each District may be identified and they may be prompted to implement the programme through wide publicity.*
- *Interest subvention as well as incentive for prompt repayment may be extended for agricultural term loans wherever capital subsidy is not available.*

*Representative from Directorate of Agriculture informed that direction in this regard has been given by the Department to district level and block level officers to convene meeting with LDMs and Agriculture officers so as to formulate bankable projects. He added that a video conference is arranged the day to review the progress.*

**(Action: Agriculture Department in co-ordination with Dairy, Animal husbandry and Fisheries Departments / LDMs and DDMs)**

### **2.6.2. Stamp Duty exemption for Agricultural loans availed from Commercial Banks**

It is observed that as per latest GO (P) No.64/2014/TD dated 03.05.2014 issued by Taxes (E) Department the stamp duty for registering the mortgage deed has been reduced to 1% of the value of the loan subject to a maximum of Rs.500/-. The GO is furnished in **Annexure-I.**

As banks are required to obtain stamped agreements for agricultural loans, waiver was also sought for stamp duty for agricultural loan agreements. However, this has not been considered so far.

*The Group recommended that SLBC may pursue for exemption of stamp duty for agricultural loan agreements.*

*The Secretary to Government, Taxes Department, Government of Kerala vide D.O. Letter No.5262/E2/2012/TD dated 28.06.2014 informed the present position of the matter that “As per the Kerala Finance Bill 2014 Government have exempted Stamp duty for all instruments executed for securing agricultural and educational loans granted by Commercial Banks with effect from 01.04.2014 and has reduced the Registration Fee from 2% to 1 % subject to a maximum of Rs. 500/- as per GO (P) No.64/2014/TD dated 03.05.2014”.*

*(Action: Taxes Department in coordination with Finance)*

### **2.6.3. Issues affecting Credit flow to Animal Husbandry Sector**

It is observed that the condition of obtaining pollution control certificate stipulated for financing dairy projects with 5 animals and above is causing hardships to dairy farmers.

Building Tax for cattle shed is also causing burden to dairy farmers.

*The Group recommended the following:*

- *This condition of obtaining pollution certificate may be done away with. SLBC may pursue the matter with concerned Government department. Alternatively, the Panchayaths may be given authority to grant licence on case to case basis.*
- *Government may also think about establishing Dairy Parks in suitable locations for setting up big dairy projects akin to industrial parks.*
- *Building Tax may be waived for cattle sheds. SLBC to pursue the matter with LSGD.*

*(Action: Local Self Government Department)*

### **2.6.4. Introduction of a Credit Guarantee Scheme for Agriculture Term Loans similar to CGTMSE**

It is observed that there is mounting NPAs under Agriculture term loans after implementation of ADWDRS.

*The Group recommended that Credit Guarantee Scheme similar to CGTMSE for agricultural term loans may be formulated. SLBC may take up the matter with Government of India.*

**(Action: Government of India/SLBC)**

## **2.7. INFORMATION NOTE**

### **2.7.1. Support to Agribusiness / Agri Clinics trained entrepreneurs** (Suggested by Directorate of Agriculture)

*The forum noted the contents and requested all banks to consider the applications of agri entrepreneurs trained under the ACABC scheme for extending credit support.*

**(Action: Banks)**

### **2.7.2. Integrated Scheme for Agricultural Marketing (ISAM)** by Government of India, Ministry of Agriculture (Suggested by NABARD)

*The forum noted that during the Steering Committee meeting NABARD reminded banks to submit utilization certificate in respect of Central Government Sponsored Subsidy Schemes wherever NABARD has released the subsidy. Further it was informed that for the current financial year 2014-15, administrative approval for DEEDS was granted by GoI as per orders dated 01.05.201.*

### **2.7.3. Convening of State Level Unit Cost Committee Meeting** (Suggested by NABARD)

*The forum noted the contents for information.*

### **2.7.4. Two cow and three calves-Projects sanctioned for 370 Scheduled Caste families state wide** (Suggested by Directorate of Animal Husbandry)

*The forum noted the contents for information.*

## **3. ISSUES FOR GROUP DISCUSSION ON SECONDARY SECTOR & GOVERNMENT SPONSORED SCHEMES (GROUP II)**

**(Sri. Ramesh P,** Assistant General Manager, Federal Bank, the leader of Group-II presented the report of the group).

### **3.1. Performance of Secondary Sector under Annual Credit Plan (ACP)**

The Group noted that achievement under the sector is 110.74% of the ACP and the disbursement was to the tune of Rs. 7892 crores. The State could achieve this performance for the first time since March 2006.

During 2012-13, we could achieve only 78.06% of the projections. During 2013-14 we could reach 110.74%. By timely submission of Returns and proper monitoring of classification, we expect improvement in the performance under this sector.

### **3.2. Review of Disbursements to Secondary Sector under ACP**

It is observed that during the year 2013-14, Banks in the State could disburse Rs. 7892 crores, a considerable increase of Rs. 4217 crores against Rs. 3675 crores during last fiscal, which is 114.75% in absolute terms.

Kerala Gramin Bank can improve the performance under SME, once they are inducted into CGTMSE coverage.

### **3.3. Performance under Outstanding Advances in SME sector**

#### **3.3.1. Performance under SME Advances under priority sector**

It is observed that SME (Priority) Advance has gone up by Rs. 8506 crores from Rs. 23563 crores as on 31.03.2013 to Rs. 32069 crores as on 31.03.2014. The growth rate is 36.10%, which is highly encouraging.

The performance is satisfactory. While reporting, Branches have to take care to include all eligible cases under SME, in view of the MSMED Act.

#### **3.3.2. Small and Medium Enterprises (SME) Advances**

The Group noted the following:

Under MSMED Act 2006, the Advances classified under SME come under Priority (Micro & Small Enterprises) as well as Non-Priority (Medium Enterprises).

SME Priority as at March 2014 stood at Rs. 32069 crores.

Micro : Rs. 12499 crores.

Small Enterprises : Rs. 15078 crores

Retail Trade : Rs. 4492 crores and this constitute Priority.

Non Priority under SME constitutes Rs. 6410 crores.

The Group suggested to the participating Banks to improve lending under LUCC, Weavers Credit Card, Artisans Credit Card, etc, which will contribute to the lending under Micro and in turn would increase the number of accounts also, so that we could achieve the mandated 10% target.

When once the 535 branches of Kerala Gramin Bank come under CGTMSE coverage, the State could conveniently achieve all the mandated targets under MSE.

#### **3.3.3. Compliance on recommendations of the Prime Minister's Task Force on MSE advances**

*Major recommendations of the Group are given below:*

- *Achieve a 20% yoy growth in credit to micro and small enterprises.*
- *Allocation of 60% of MSE advances to Micro Enterprises in the year 2014-15.*
- *Achieve a 10% annual growth in number of micro enterprise accounts.*



When once the 535 Branches of Kerala Gramin Bank comes under CGTMSE coverage, the State could conveniently achieve all the mandated targets under MSE.

### **3.4. Performance under Micro-credit**

It is observed that:

- The State could achieve 36.10% against the mandated 20%, ie, from Rs. 23563 crores in March 2013 to Rs. 32069 crores as on 31.03.2014.
- Against the mandated 60% under MSE Micro, we could achieve 44.57% only.
- Against the targeted 10% annual growth in number of micro enterprise accounts, the State could register a growth of 9.54%, ie, 546942 to 599110 accounts.

*The Group suggested the following:*

- *MSME loans sanctioned to SHG/JLG are to be properly classified under MSME instead of Agriculture.*
- *Increase flow of credit to MSME sector through JLG route.*
- *The participating Banks to improve lending under LUCC, Weavers Credit Card, Artisans Credit Card, etc.*
- *Financing SHGs through the medium of NGO for MSME also should be increased, which will enable the beneficiaries to take up bigger proposals.*

### **3.5. Performance of other Institutions under SME financing (Outstanding) as at March 2014**

### **3.6. Performance of other Institutions under SME financing (Disbursement) as at March 2014**

*For both the above agenda items, the Group suggested that the schemes of KSIDC, KFC and SIDBI should be popularized.*

### **3.7. Coverage under CGMSE scheme from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)**

*The Group suggested the following:*

- *Branches should be enabled to connect to CGTMSE for uploading of applications and updating the status of NPA.*
- *CGTMSE rejects the claim without assigning any reason which should be avoided.*
- *Guarantee renewal fee for Term Loan should be on the basis of outstanding liability as on 31<sup>st</sup> March and not on the limit sanctioned.*
- *CGTMSE cover for KGB which is already a standing agenda in SLBC.*
- *CGTMSE cover format should be part of MSME loan application.*
- *NPA status updation in CGTMSE record is not currently available for the Bank. Consequently, when an NPA becomes Performing Asset and subsequently turns to NPA on a later date and claim preferred with CGTMSE, the Trust take the initial date of the account becoming NPA only which results in delay and subsequent rejection of the claim.*

*Referring NPA status updation in CGTMSE reports, Sri. Shaji K. V., Chairman, Kerala Gramin Bank also pointed out that CGTMSE is not taking into account any subsequent upgradation in the account, thereby forcing the Banks to take action against a standard asset for getting CGTMSE claim. He suggested that the matter has to be taken up with CGTMSE seriously. He added that KGB had taken up the matter with CGTMSE, but they have not responded till date.*

*The Chair pointed out that it is a serious issue since the automatic NPA classification and auto upgradation by the system is in effect now in all banks.*

*Sri. A. C. Sahu, Deputy General Manager, SIDBI requested banks to write a letter specific to CGTMSE in this regard.*

*The LDM Kozhikode pointed out that when CGTMSE is rejecting a claim, they are not giving reasons for rejection.*

*The forum decided that SIDBI to look into the issue.*

**(Action: SIDBI / CGTMSE)**

### **3.8. Performance under Government Sponsored Schemes**

#### **3.8.1. Swarna Jayanthi Shahari Rozgar Yojana (SJSRY) as at March 2014**

It is observed that the involvement of Private Sector Banks needs improvement, which would result in better performance under the Annual Credit Plan.

#### **3.8.2. Performance under PMEGP as at March 2014**

It is noted that the achievement under PMEGP of 203% is noteworthy, whereas Margin Money settlement made is for 50% of the total disbursement only. The implementing agencies should settle the pending claims as any delay in release of subsidy / Margin Money results in interest burden on beneficiary.

E-tracking of PMEGP applications requires more focused attention. Proper training as to the E-tracking should be imparted to Branch staff. Currently, only 30% of the details of the project sanctioned are updated in the national portal, which is the tool for national level monitoring.

A Task Force consisting of lending Bank and DIC should be formed for gearing up the recovery of impaired assets which is the need of the hour.

*Referring over achievement of target, representative from Smt. K. P. Lalithamaney, Director, KVIC informed that all the implementing agencies are forwarding applications three times of the target. During March 2014 utilisation was only 22.8 % and the overachievement was mainly in the extended period of 2 months. She then informed that from the current year allocation first they have to clear the pendency of applications and balance, if any, only used for current year applications.*

*In the case of DIC, pendency is more than the current year's allocation only and in that case, specific data is to be submitted for which additional sanction to be sought in the current year. She added that KVIC have already conducted one training programme at Trivandrum. She requested LDMs to extend adequate support to them for coordinating Bank Managers in training programmes proposed at district level.*

*The Forum instructed the implementing agencies to ensure that all pending subsidy claims are settled at the earliest. The forum suggested that proactive steps may be taken by the implementing agencies and joint level efforts may be taken on Recovery so as to increase the confidence level of bankers.*

**(Action: KVIC / KVIB / DIC / LDMs / Banks)**

### **3.9. Review of Performance under Special Focus Programmes**

#### **3.9.1. Swarozgar Credit Card Scheme**

#### **3.9.2. Artisans Credit Card Scheme**

#### **3.9.3. Laghu Udhyami Credit Cards**

#### **3.9.4. Performance under General Credit Card Scheme**

As per the data available, only a very few Banks are participating in disbursing Cards under SCC, ACC and LUCC and old GCC. The Group opined that all the Banks should contribute more under the Poverty Alleviation Schemes.

### **3.10. Advances to Weaker Section**

Proper classification of loans sanctioned to Weaker Sections should be ensured by Banks. Special schemes to Weaker Section, like, DRI, Loans to SC/ST, other Government Sponsored Schemes, have to be popularized.

### **3.11. Advances to SC/STs**

It is observed that the involvement of Private Sector Banks to be improved (presently it is 9% for SC and 1.39% for ST category).

### **3.12. DRI Advances**

It is observed that the performance of Private Sector Banks of 9.84% of the total DRI loan needs improvement.

### **3.13. Credit Flow to Minority Communities**

Performance under this sector could be improved by proper classification of loans at the time of disbursement through updation of MIS.

### **3.14. FRESH ISSUES**

#### **3.14.1. Rejuvenation, Modernization and Technology Upgradation (REMOT) of the Coir Industry (Suggested by Coir Board)**

- (1) Review of implementation of the Scheme during 2013-14**
- (2) Reconciliation statement of the funds released in Kerala during XI Plan Period**
- (3) Action Plan for 2014-15**

*The Group observed the following:*

- *1270 applications are pending at various Banks as reported by the Board.*
- *A new scheme with Working Capital component is on the anvil.*
- *Concern by Banks as to the very high NPA level under REMOT Scheme.*
- *Coir Board has to ensure continued hand holding to keep the units financed working and viable.*
- *For recovery of the existing NPA under REMOT, a Task Force committee consisting of Coir Board, DIC and Bank to be formed.*
- *Proper screening of applications through a Task Force by interview of the entrepreneur, as is not now.*

**(Action: Coir Board, DIC, Banks)**

#### **3.14.2. Progress report of “Comprehensive Package for the Handloom Sector” Weavers Credit Card (WCC) Scheme (Suggested by NABARD)**

Bankers suggested that applications under WCC should be necessarily routed through the Co-operative Inspectors (Handloom).

The list of Inspectors to be provided to LDMs and GM, DIC should ensure that Inspectors are attending meetings like BLBC, BLRC for review.

It was clarified that for loans up to Rs 25000/- under WCC, Margin Money from NABARD is dispensed with.

*Sri. Ramesh Tenkil, Chief General Manager, NABARD informed that a meeting in this regard is scheduled on 1<sup>st</sup> July, 2014 wherein all the matters related to WCC would be covered.*

**(Action: DIC, LDMs)**

#### **3.14.3. Credit Linked Capital Subsidy Scheme (CLCSS) - Updating PLIs on instructions issued by the O/o DC (MSME) (Suggested by NABARD)**

It is suggested that the scope of the scheme is to be popularised among Banks.

*Sri. Ramesh Tenkil, Chief General Manager, NABARD informed that the scheme has been existing a decade before and picking up well in the other States. He requested that banks have to popularise the scheme.*

**(Action: Banks)**

### **3.15. PENDING ISSUES IN SLBC & ACTION TAKEN REPORT**

#### **3.15.1. Proposal to introduce penalty for delayed payment of premium for coverage under CGTMSE**

The matter is pending with CGTMSE.

*Sri. A. C. Sahu, Deputy General Manager, SIDBI assured to apprise the developments in this regard in the next SLBC meeting.*

*(Action: SIDBI/ CGTMSE, Mumbai / SLBC)*

#### **3.15.2. PMRY 2006–07 & 2007–08 - Non receipt of Subsidy**

It is observed that the matter is pending with RBI and suggested to follow up further.

*Sri. K. Santhakumar, Deputy General Manager, Reserve Bank of India informed that the matter was followed up with Government of India and reply is awaiting.*

*(Action: Reserve Bank of India)*

#### **3.15.3. Non Coverage of Micro and Small Enterprise loans sanctioned by Kerala Gramin Bank (KGB) under CGTMSE**

It has been informed that CGTMSE is considering relaxation in CRAR norms for Kerala Gramin Bank.

*In view of the above, the forum decided to drop the item.*

#### **3.15.4. Issues involved in the implementation of PMEGP Scheme**

Licensing for MSME ventures should be expedited by Local Bodies on preferential basis. Without licenses, Banks may not be able to consider the proposal.

*(Action: Local Self Government Department, Government of Kerala)*

### **3.16. INFORMATION NOTE**

#### **3.16.1. Information Note by MSME Development Institute, Thrissur**

*The forum decided to circulate the details to the member banks for information.*

*(Action: SLBC)*

## **4. ISSUES FOR GROUP DISCUSSION ON TERTIARY SECTOR (GROUP III)**

(Sri. K. R. Jayaprakash, LDM, Ernakulam, the leader of Group-III presented the report of the group).

### **4.1. Performance under Tertiary Sector of ACP**

The forum noted that ACP under tertiary sector was achieved in 2013-14. Percentage wise achievement was less than that of the previous year. In real terms, there is an increase of Rs. 3465 crores over that of the previous year.

The projected target for 2014-15 is Rs. 35837 crores which is less than the target and achievement of 2013-14. The reason could be the re-categorisation effected through modified LBR, under secondary/ tertiary sector.

### **4.2. Review of Disbursements to Tertiary Sector under ACP**

The forum noted that State Bank Group, Co-operatives and KFC surpassed the target whereas nationalized banks, private sector banks and RRB could not achieve the target. Improper and inadequate reporting to Lead Bank might have affected the performance. The Group felt that the Controlling Offices of the banks in each district have to effectively monitor the submission of LBR returns and also to ensure adequate representation in BLBC/DLRC meetings. Many banks have achieved less than 50% of the target.

*(Action: Banks)*

### **4.3. District-wise Credit Deposit Ratio in the State - Review**

The forum noted that CD Ratio for the State had declined by 8% YoY. The reason could be the increased flow of remittances from abroad due to the depreciation of the Rupee. Idukki and Wayanad districts are having the highest CD Ratio of more than 100%. Alappuzha with 58.7% and Pathanamthitta with 40.14% are having the lowest CD Ratio. Increased presence of NRIs and affluent people in Pathanamthitta district normally results in low off-take of credit.

Banks such as State Bank of Travancore, Bank of Baroda, Indian Bank, Catholic Syrian Bank, Dhanlaxmi Bank, Federal Bank and South Indian Bank are having less than 60% as CD Ratio.

*The Group felt that the following measures may improve the CD Ratio.*

- *100% linkage of SHGs and JLGs of Kudumbashree*
- *Implementation of Rajiv Rinn Rojana & Indira Awaas Yojana which are having guarantee cover to support the low income and economically weaker section to have their own houses.*
- *Inbuilt ODs in Basic Savings Bank Deposit Accounts*
- *Extending more loans with CGTMSE coverage*

- *Conduct of special credit camps / awareness camps on credit products with support of FLCs and other agencies*
- *Implementation of Rinn Mukthi Scheme*
- *Extending loans for Solar Water Heater / lighting which is having 30-40% subsidy support through National Housing Bank.*
- *Lending to Agriculture and SME sectors*

***(Action: Banks)***

Janasree Mission has represented that their subsidy linked loans are not entertained by banks. The Group noted that the SHGs by Janasree Mission are not in accordance with NABARD guidelines, but advised that those groups of Janasree conforming to NABARD norms shall be financed by banks without reservation.

*The forum decided the Janasree Mission to have a consultation with NABARD to discuss the matter.*

***(Action: Janasree Mission)***

#### **4.4. Review of Progress under Reverse Mortgage Loan Scheme of National Housing Bank**

The progress made under the scheme is unimpressive. The Group felt that sentimental issues and lack of awareness might have affected the scheme implementation.

*The representative from National Housing Bank requested all the banks to look into the scheme because of the noble intention behind the scheme for helping the senior citizens.*

***(Action: Banks)***

#### **4.5. FRESH ISSUES**

##### **4.5.1. Installation of Cash Deposit Machines by banks to facilitate Government Business** (Suggested by Finance (Planning A) Department, Government of Kerala)

Banks have started installation of CDMs and ATMs with cash accepting facility in a big way. However, transferring of funds as suggested by the Department has not been supported by the software. Individual banks may initiate steps for honouring the Government request.

***(Action: Banks)***

##### **4.5.2. Kudumbashree Bank Linkage Campaign 2014-2015** (Suggested by Kudumbashree)

Though Kudumbashree Mission aimed for 100% credit linkage during last year, the achievement was around 45% only. Banks have extended very good support to Kudumbashree. However, lack of adequate delegation of loan sanction powers at branch level affected linkages to a great extent. Specialised Cells for loan processing are reported to cause delay in sanction.

The repayment history of Kudumbashree is excellent. This year banks are requested to achieve the credit linkage target as advised by SLBC.

*Smt. K. B. Valsalakumari, Executive Director, Kudumbashree informed that with the help of bankers during the last year they were able to achieve, the first time the history of Kudumbashree, Rs. 713 crores of bank linkage but the 100% credit linkage could not be achieved. She requested bank officers to attend the training programmes conducted by Kudumbashree so as to increase the bank linkage.*

**(Action: Banks)**

#### **4.5.3. Sanctioning of Kudumbashree loans only by the recommendation of Kudumbashree CDS (Suggested by Kudumbashree)**

Branches have to be advised to entertain only loans recommended by CDS.

The CDS may not be able to support recovery in case of loans sanctioned without their recommendation.

*Smt. K. B. Valsalakumari, Executive Director, Kudumbashree informed that such kind of loans given without the recommendation of Kudumbashree CDS would not treat it as Kudumbashree loans and Kudumbashree would not be responsible for 100% repayment*

**(Action: Banks)**

#### **4.5.4. NRLM Interest Subvention support for Kudumbashree NHGs Bank linkage Loan (Suggested by Kudumbashree)**

The forum noted the contents for information.

*Smt. K. B. Valsalakumari, Executive Director, Kudumbashree informed under NRLM interest subvention is given in 2 categories. 150 districts all over India, of which 2 districts viz. Palakkad and Malappuram districts in Kerala are involved in the first category having Canara Bank as nodal bank. For the other 12 districts Government is trying to make it at par with the category one districts for payment of interest subvention. It is felt that there will be discrimination if the Government of India gives these 2 categories and interest subvention that is being given by the State has to conform to the national the other states. There will be a possibility of discrimination because some people will get greater interest subvention whereas others may not get. Kudumbashree have started to operationalise it and between 600 and 700 applications are processed already under interest subvention. More than 8000 applications are being processed at Kudumbashree office and going on well. The guidelines are already circulated to all the banks last year itself and all banks may be aware of the guidelines.*

**(Action: Banks)**



**4.5.5. To ensure the participation of Bank Managers in trainings given by Kudumbashree** (Suggested by Kudumbashree)

All branch Managers have not attended the training conducted last year. Banks may ensure attending the training by all.

*Smt. K. B. Valsalakumari, Executive Director, Kudumbashree informed that during the previous year against the target of 2000 bank officers, most of them attended the training.*

**(Action: Banks)**

**4.5.6. Bank officials exposure visit to SERP - Andhra Pradesh** (Suggested by Kudumbashree)

Kudumbashree has provided an excellent opportunity to have field level experience to branch functionaries on SHG movements in other States through the exposure visits. More officials may take this opportunity. It is felt that the number of days for visit may be increased to one week.

*Smt. K. B. Valsalakumari, Executive Director, Kudumbashree informed that 12 officers turned up against the target of 100 officers during the year. During the current year target was reduced to 50 officer and requested to provide the list of bank officials to Kudumbashree before August 2014 since visit to SERP Andhra Pradesh is scheduled during August 2014.*

*The forum requested Controlling Offices of all banks to inform the details of bank officials to SLBC at the earliest so as to enable to consolidate the list and provide the same to Kudumbashree.*

**(Action: Controlling Offices of Banks / SLBC Cell)**

**4.5.7. JLG bank linkage - Interest rate issues** (Suggested by Kudumbashree)

Kudumbashree stated that some branches are not advising the correct rate of interest charged by them to Kudumbashrees to claim the subsidy. The interest rates may depend on the activities and branches have to communicate correct rate of interest.

**(Action: Banks)**

**4.5.8. Setting up of Business Archives** (Suggested by Director of State Archives)

*The forum noted the contents for information. SLBC may inform the suggestion to IBA for consideration.*

**(Action: IBA / SLBC)**

**4.5.9. Insisting PAN number in Government transactions** (Suggested by Directorate of Animal Husbandry)

SLBC may pursue the matter with IT Commissioner to resolve the issue.

**(Action: IT Commissioner / SLBC)**

**4.5.10. Request to charge interest at base rate for loans sanctioned under KSEDM scheme of Government of Kerala** (Suggested by State Level Apex Committee of KSEDM)

All the banks may take up the issue with their Corporate Offices to sanction the loans at base rate as requested by the State Government. Presently KFC is extending loans to most of the beneficiaries.

*(Action: Banks)*

**4.5.11. Increase in NPAs under Government Sponsored Schemes - Strengthening of recovery mechanism** (Suggested by State Bank of Travancore)

The data provided in agenda notes is that of SBT and condition is identical with other banks also.

SBI has reported that out of the 364 loans under Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) amounting to Rs. 336 lakhs sanctioned, 47 accounts with outstanding of Rs. 37.07 lakh have become NPA as on 31.03.2014.

- Active involvement of all sponsoring Government agencies is required to effect recovery in such accounts.
- Joint recovery visits shall be arranged based on requests by banks through LDMs by coordinating with respecting nodal agencies (Kudumbasree, DIC, KVIC, KVIB and other concerned Government Departments). Implementing agencies to give appropriate directions in this regard to district level/ filed level officials.
- The Group also felt that permission may be accorded to adjust the subsidy amount to the respective loan accounts which have become NPA after the lock in period.

*(Action: Sponsoring Govt Departments /Nodal Agencies/Revenue Department)*

**4.5.12. Bhavanashree - Left Over Claims** (Suggested by LDM, Kannur)

Some banks are yet to receive funds from State Government under the Bhavanashree scheme and this has caused agitations in front of some of the bank branches and registering of false complaint against branch Managers over the issue. Kudumbashree may follow up the issue with State Government for an early settlement.

*Referring notices issued for Bhavanashree loans by some of the bank branches, Smt. K. B. Valsalakumari, Executive Director, Kudumbashree requested that since Government of Kerala has already given a commitment that the left over Bhavanashree loans would be taken over by the Government and already the first batch for annual instalment have been given, she made a request that bankers to refrain from issuing Revenue Recovery notices.*

*The forum decided that SLBC would in touch with Kudumbashree to sort out the matter.*

*(Action: Kudumbashree/SLBC)*

*Regarding Revenue recovery mechanism put in place for SJSRY, She requested to provide the list of defaulters under SJSRY scheme to Kudumbashree. She informed that in the context of Operation Kubera, Kudumbashree has set up Rs. 50 lakhs for conducting awareness campaign to NHGs for which she requested support from banks for making use of FLCs.*

*(Action: Kudumbashree/SLBC)*

#### **4.5.13. Proposed Debt Swap Scheme & Other recommendations of SLBC Subcommittee**

The Rinn Mukthi Scheme is widely accepted as a good initiative to relieve the poor from the clutches of unscrupulous money lenders by providing easy bank finance. The overall terms under the scheme was accepted by the groups. However, the group made the following suggestions.

- Wherever an existing credit facility without collateral security / personal guarantee up to the maximum permitted limit is enjoyed by the applicant, facility under Rinn Mukthi may be provided with appropriate security / guarantee.
- Close relatives may be defined as parents, spouse, children and in-laws.
- Age of the applicant shall be between 18-60.

*The forum adopted the scheme, with the above modifications, for implementation.*

*The “Rinn Mukthi Scheme” adopted in the SLRM is given in Annexure-II. The Common application form approved by the SLRM is furnished in Annexure-III.*

*(Action: Banks)*

#### **Fresh Agenda items suggested by the Group**

##### **4.5.14. Education Loan**

Presently interest subsidy on Education Loan is provided by Central and State Governments. State Government has schemes to provide interest subsidy to BPL and APL students. Though many of the applications under BPL category have been settled, some districts (Trivandrum, Kollam, Malappuram, Wayanad) are yet to receive the same.

Though applications are received from APL candidates, decisions regarding implementation of the scheme and release of subsidy are yet to be finalised by the Government. In the wake of new Central Government Subsidy scheme for Education Loans availed prior to 01.04.2009, State Government may clarify the position regarding subsidy to APL candidates. The Group also felt that the extended moratorium in recovery of dues from BPL category may be withdrawn as the claims have already been settled. Further the moratorium declared for APL candidates shall be reviewed and lifted in the wake of new Central Government Interest subsidy scheme

Organised move by certain groups in some centres to deter the recovery prospects under Education loan. Such groups are making misleading interpretations on Central subsidy scheme to create confusion among the general public as well as banks. The Group felt that appropriate action by authorities concerned may have positive impact.

Clarity on adjustment of interest subsidy in the case of closure/OTS of loans subsequent to submission of claims may be given by the Finance Department.

*The forum decided that banks to take careful and proactive steps in sanctioning/ rejecting Education loans. Any issues related to Education loan would be forwarded to SLBC for referring to IBA.*

**(Action: Banks)**

#### **4.5.15. Special application for NEFT**

Subscription remittances by Kerala Building and Other Construction Workers Welfare Board to their virtual account as per the special application form for NEFT was presented by Union Bank of India for approval by SLBC/Banks.

Since consensus could not be reached for approval of the format, it was decided that SLBC Cell shall circulate the format among member banks for taking the consent.

**(Action: SLBC)**

#### **4.5.16. Implementation of Rajiv Rinn Yojana (RRY)**

The existing ISHUP scheme was replaced by RRY and the State Government has entrusted Kudumbashree as the State level nodal agency for implementation. In a meeting convened by Chief Secretary on 23.05.2014, SLBC was asked to explore the possibilities of considering the pending ISHUP applications with branches under RRY scheme. SLBC Cell along with Kudumbashree had explored the same and made the following observations.

- Most of the pending ISHUP applications are nearly 2 years old and hence the estimate and income certificates of the applicants have become redundant
- Under RRY, the loan quantum has been enhanced to Rs. 5 lakhs (EWS) and Rs. 8 lakhs (LIG). Due to this old applicants are now eligible for higher loan quantum.

The Group deliberated on the above, and has recommended the following:

- The existing pending ISHUP applications with branches are to be returned immediately to the nodal agency. Kudumbashree shall screen these applications and identify eligible persons as per the RRY scheme and forward applications afresh to the branches with revised estimate and income certificate.
- It is observed that income certificate produced by the applicants under ISHUP were too low in many cases not in tune with their actual income due to which banks could not sanction required loan quantum. Hence, it was suggested that Kudumbashree shall advise the beneficiaries to produce income certificate which depicts their real income.

- Banks to sanction applications under RRY on merits on a priority basis.
- Already district wise targets are communicated to LDMs for distribution among participating banks.
- HUDCO / National Housing Bank to initiate immediate steps for signing the MoU with implementing banks.
- HUDCO / National Housing Bank to follow up with Ministry for release of pending subsidy claim under ISHUP.
- HUDCO / National Housing Bank to take up with the Ministry for changing the procedure of subsidy claim to enable banks to prefer subsidy in one go instead of in multiple tranches.

*(Action: Banks/Kudumbasree/LDMs)*

#### **4.6. PENDING ISSUES IN SLBC & ACTION TAKEN REPORT**

##### **4.6.1. Land Allotment for construction of RSETI Buildings**

In three districts, RSETIs are not yet provided with land by the Government Department despite continuous follow up. Initiative from Government side is required for early allotment of land in these districts viz. Kollam, Palakkad and Kozhikode.

In Kottayam and Wayanad Districts the construction work is yet to be started due to issues related to felling of trees through auction. Necessary instructions may be given by Commissionerate of Rural Development.

*Representative from Commissionerate of Rural Development informed that in the case of Kollam District, land is identified at Anchalumoodu Block and the proposal in this regard is pending with Government and the matter would be further followed up.*

*In the case of Palakkad District, place is identified at Parali Panchayat and proposal in this regard is forwarded to Government and the same is pending with Revenue Department for getting some clarification.*

*In the case of Kozhikode District land is not identified. Direction has given by Local Self Department to the Project Director and District Collector to identify a suitable place and report.*

*The forum decided that the matter would be taken up with Commissioner for Rural Development.*

*(Action: Commissionerate of Rural Development/ Local Self Government Dept/ SLBC)*

##### **4.6.2. Giving Provision to Controlling offices of banks to monitor status of RR**

The matter may be followed up with Revenue Department.

*Representative from Revenue Department informed the forum that Malappuram NIC has been entrusted the work and further progress in this regard would be informed later.*

*(Action: Revenue Department)*

#### **4.6.3. Computerization of Land Records & Creation of a Central Registry titled National Mortgage Repository**

Revenue Department has informed that Computerization of land records is under progress.

*Representative from Revenue Department informed that the process for computerisation of land records completed in 590 identified villages out of 1634 villages and the process would be completed in the remaining villages by the year 2014 itself.*

**(Action: Revenue Department)**

#### **4.6.4. E-Collection of Kerala State Commercial Taxes - Inclusion of major banks in the State in addition to banks handling the same at present**

The forum noted that all the major banks are already included under e-collection. If no other bank is interested the matter may be dropped.

The Secretary to Government, Taxes Department, Government of Kerala vide D.O. Letter No.5262/E2/2012/TD dated 28.06.2014 informed that *The Commercial Taxes KVATIS application has integrated with SBI and SBT banking portals for e-payment of taxes. The KVATIS initiates payment by creating a unique payment request directly to the bank's portal. The bank completes the payment by direct debit from the dealer's account of the State Government. The bank provides a real time status of the payment to KVATIS which in turn is used to credit the payment made by the dealer.*

*Government of Kerala as per GO(Ms) No. 180/2013/TD dated 24/10/2013 accorded sanction to include 18 more banks to collect commercial taxes through e-payment mode.*

*The department has already completed integration testing with 10 banks. However, e-payment process can be commenced with these banks only after necessary changes are made by the Treasury Department in their software. But the Treasury Department has suggested that the e-payment with all banks can be made when Government Receipt Accounting System (GRAS) is implemented.*

*As per SRO 817/2009 dated 30/9/2009, Kerala Treasury Rules, 1963 was amended by incorporating a note to Rule 102 as follows:*

*"Online payment of tax along with e-Return can be done with the integration of Commercial Taxes Department official website with the approved Bank's site. The tax due as per the return can be remitted by debit from the dealer's account or any other account authorized by him on his behalf in the SBI or SBT or any other bank as and when so specified"*

*In view of the above, the forum decided to **drop** the item.*

#### **4.6.5. Need for Reduction in Stamp Duty and Registration charges for Registered Memorandum**

As per GO (P) No.64/2014/TD dated 03.05.2014, Taxes (E) Department informed that the maximum amount for registering and release of such charges is fixed as Rs. 500/-. The GO is furnished in **Annexure-I**.

The group thanked the State Government for the initiative and recommended to drop the item.

The Secretary to Government, Taxes Department, Government of Kerala vide D.O. Letter No.5262/E2/2012/TD dated 28.06.2014 informed the present position of the matter that *“Government have examined the matter in detail and came to a conclusion that, the reduction of stamp duty and Registration Fees for mortgage deeds in favour of commercial Banks will be a better option than the reduction of Stamp Duty and Registration Fee for Registered Memorandum.*

*In these circumstances, Government have reduced the stamp duty through Kerala Finance Bill 2014, from 5% to 0.5% subject to a maximum of Rs. 20000/- and have fully exempted all instruments executed for securing loans for agricultural and educational purposes granted by Commercial Banks with effect from 01.04.2014. The Registration Fee was also reduced from 2% to 1 % subject to a maximum of Rs. 500/- as per GO (P) No.64/2014/TD dated 03.05.2014. In the circumstances, Government advise all Banks to take appropriate action to register ‘simple mortgage deeds’ for all loans.”*

*In view of the above, the forum decided to **drop** the item.*

#### **4.6.6. Automation of Interface of State Government Treasuries with Banks**

The matter may be followed up with Finance Department.

*(Action: Finance Department/ Reserve Bank of India)*

#### **4.6.7. Amendment/ modification in Kerala Registration Rules empowering the SROs to make entry of possession of immovable properties by banks under SARFAESI Act, in Book I**

The matter may be followed up with Registration Department.

The Secretary to Government, Taxes Department, Government of Kerala vide D.O. Letter No.5262/E2/2012/TD dated 28.06.2014 informed that *“As per the section 13(a) of the Securitization and Reconstruction of Financial Assets and Enforcement of security interest Act, 2002, the authorized officer of a Bank take possession of the property in case of defaulting borrower. However this act has not conferred power the authorized officer to attach the immovable property of the defaulting borrower which is being followed by Debt Recovery Tribunal Act, 1993.*

*As per section 89 of the Indian Registration Act, a Sub Register cannot file the Possession Notice issued by the authorized officer of the Bank as per Appendix-IV of The Security Interest Enforcement Rules, 2002 without amendment in the said Act.*

*The Central Government have recently introduced an amendment bill in the parliament to give effect to the above. Hence this amendment will be operational once the Bill is passed in the Indian Parliament.”*

**(Action: Registration Department)**

#### **4.6.8. Non availability of Central Government & State Government Interest Subsidy to Education Loans availed from District Co-operative Banks & PACS**

The matter may be followed up with Government of India/ Government of Kerala.

**(Action: Government of India / Planning Department, Government of Kerala)**

#### **4.6.9. Tax Claims on Auction proceeds**

Taxes Department has informed that extension under VAT Act is not possible, hence the agenda may be dropped.

*The Secretary to Government, Taxes Department, Government of Kerala vide D.O. Letter No.5262/E2/2012/TD dated 28.06.2014 informed that “Explanation II to S.2(xv) KVAT Act, 2013 makes it crystal clear that a bank or a financial institution, which, whether in the course of its business or not sells any gold or other valuable article pledged with it to secure any loan, for the realization of such loan amount is a ‘dealer’. A dealer in jewellery of gold, silver and platinum group metals are liable to pay tax irrespective of their turnover. As such every bank is liable to pay tax on the sale of movable property as provided under section 6 of the KVAT Act, 2003. There is no provision under the Act for giving exemption in this regard.*

*The Banks appropriate the pledged assets against the loan amount granted by them and once such appropriation is completed, the pledged assets become their own property. Therefore when they sell their own movable property, they have to pay tax due to Government as stipulated under section 6 KVAT Act, 2003. Actually, this payment is not at all a burden on the Banks. They are at liberty to collect tax from those who purchase gold or other valuable articles from them as in the case of any other trader or dealer registered under the Act.*

*The position has been settled judgment by the of the Hon’ble Supreme Court in the case of Federal Bank Ltd & others Vs State of Kerala & Others (2007) 15 KTR 252 (SC). The Taxes Department has no further remarks to offer other than the rationale contained in the judgment.”*

*In view of the above, the forum decided to **drop** the item.*

#### **4.6.10. Denial of E-Tender access facilities to customers of all banks except SBT**

The matter may be followed up with Finance / Information Technology Department.

**(Action: Finance / Information Technology Department)**



#### **4.6.11. Noting of Equitable Mortgage created in favour of the banks in Revenue Records**

The matter may be followed up with Revenue Department.

*(Action: Revenue Department)*

#### **4.6.12. Non availability of Government of India Interest Subsidy on Education loans granted by KSCARD Bank**

The matter may be followed up with Ministry of Finance, Government of India.

*(Action: Ministry of Finance, Government of India)*

#### **4.6.13. Establishment of Financial Literacy Centres (FLCs) in all blocks of the State**

State has become the first one to have FLCs in all the 152 blocks. As advised by SLBC, LDMs have to submit report on compliance level of FLCs functioning in their districts.

The Group felt that some of the FLCs are not functioning in accordance with RBI guidelines. FLCs are located in branch premises and without a dedicated counselor in certain cases.

The Group expressed apprehension on the competency of Counselors at Akshaya centres.

Improved visibility and quality has to be ensured.

*The forum decided that the FLCs established need to be stabilised, supported with proper man power and control of the function.*

*(Action: Controlling Offices of Banks)*

*Sri. Ramesh Tenkil, Chief General Manager, NABARD informed the financial inclusion fund is provided by NABARD and willing to provide training to the FLC Counselors for capacity building.*

*Sri. Nirmal Chand, Regional Director, RBI informed that RBI had conducted a programme for FLCs at Kochi and required to conduct training programmes in all the 152 blocks in the State.*

*The forum decided to take up the matter with Punjab National Bank regarding FLCs working as part of branches & South Indian Bank regarding the FLCs opened at Akshaya centres and get a report on FLCs in the next meeting of SLBC.*

*(Action: SLBC)*

#### **4.6.14. Progress in Coverage of Sub Service Area (SSA) by Banks**

The forum noted that 1240 SSAs are allocated to Akshaya for establishing banking kiosks by 18 banks. 389 kiosks are made operationalized and 7059 accounts are opened. 1342 transactions took place in these accounts. Banking kiosk in Nellimood by State Bank of Travancore collected more than Rs. 10 lakhs.

##### Issues:

- All the branch Managers are not trained in Kiosk banking
- Some of the trained Managers are transferred
- Activation of accounts are delayed by certain banks
- District level contact points of banks are not available for Akshaya
- Technical issues are yet to be resolved.
- Proper liaison with VLEs and Branch Managers at Block level not taking place.
- Commission to VLEs not regularly paid.
- The initial handholding cost is based on 25 transactions which could not be achieved by many of the VLEs.
- Sub KO Code is not provided in all cases.
- Branding with Bank logo to take place
- Laptop is not available with all VLEs

Banks and Akshaya may have to resolve the issues highlighted and immediate steps to complete the process are to be initiated.

Catholic Syrian Bank has to finalize the software at the earliest.

It was suggested to conduct the sub-committee meeting on the matter for a detailed review before 10.07.2014.

*Representative from Catholic Syrian Bank assured the forum to finalise the software within 10 days.*

*(Action: SLBC/Banks/Akshaya)*

#### **4.6.15. Coverage of unbanked Panchayats in the State with branches of Commercial Banks**

Banks responsible for opening branches in remaining unbanked punchayats have to comply 100% coverage before 30.09.2014.

*(Action: SLBC /Banks)*

#### **5. Review of Performance under various Segments**

#### **6. Review of Performance of the Banking Sector**

The forum concurred with the review of the performance under various sectors as at March 2014 quarter provided in the background notes supplied.

The State Level Review Meeting of SLBC, Kerala concluded with the above deliberations.

**Sri. C. G. Nair**, Deputy General Manager, Canara Bank proposed vote of thanks.

**ANNEXURE – I**

©  
കേരള സർക്കാർ  
Government of Kerala  
2014



Regn. No. KERBIL/2012/45073  
dated 5-9-2012 with RNI

Reg. No. KL/TV(N)/634/2012-14

**കേരള ഗസറ്റ്**  
**KERALA GAZETTE**

**അസാധാരണം**  
**EXTRAORDINARY**

**ആധികാരികമായി പ്രസിദ്ധപ്പെടുത്തുന്നത്**  
**PUBLISHED BY AUTHORITY**

---

വാല്യം 3 } Vol. III }	തിരുവനന്തപുരം, ശനി Thiruvananthapuram, Saturday	2014 മേയ് 3 3rd May 2014	നമ്പർ } No. }	1164
		1189 മേടം 20 20th Medam 1189 1936 വൈശാഖം 13 13th Vaisakha 1936		

---

GOVERNMENT OF KERALA

**Taxes (E) Department**

**NOTIFICATION**

G. O. (P) No. 64/2014/TD. *Dated, Thiruvananthapuram, 3rd May, 2014.*

**S. R. O. No. 268/2014.**—In exercise of the powers conferred by sub-section (1) of section 78 of the Registration Act, 1908 (Central Act 16 of 1908), the Government of Kerala hereby make the following further amendment to the Table of Fees prescribed in the notification issued under G. O. (P) No. 147/77/TD dated 23rd November, 1977 and published as S.R.O. No. 1112/77 in the Kerala Gazette No. 50 dated 13th December, 1977, and direct that they shall come into force at once, namely:—

#### AMENDMENT

In the said notification, in article I, in sub-clause (1) of clause (a), after Note (viii), the following note shall be added, namely:—

“(ix) The registration fee in respect of the instruments for securing agricultural and educational loans from the commercial banks, the mortgage deeds for securing other loans from the commercial banks and the re-conveyance deeds thereof, shall be one per cent of the value subject to a maximum of Rs. 500.”.

By order of the Governor,

A. AJITH KUMAR,  
*Secretary to Government.*

#### Explanatory Note

(This does not form part of the notification, but is intended to indicate its general purport.)

Government have prescribed the Table of Fees payable under section 78 of the Registration Act, 1908 and published as S.R.O. No. 1112/77 in the Kerala Gazette No. 50 dated 13th December, 1977. Now Government have decided to reduce the rate of registration fee in respect of the instruments for securing agricultural and educational loans from the commercial banks the mortgage deeds for securing other loans from the commercial banks and the re-conveyance deeds thereof, shall be one per cent of the value subject to a maximum of ₹ 500 vide declaration in Para 313 of the Budget Speech, 2014-15.

The notification is intended to achieve the above object.

## ANNEXURE – II

### “Rinn Mukthi”

#### **A Scheme for Swapping of Debts of Distressed Individuals from Non Institutional Sources**

##### **1) Purpose:**

To provide relief and to remove the debt burden of any identified acutely distressed individuals who are under burden of debt from non-institutional sources (eg. money lenders, pawn brokers) by providing them loan for debt redemption so that they become free from the debt burden with usurious interest rate.

Since the distress arising from debts availed from Non- institutional sources and financial exclusion is closely interlinked, the scheme also aims to facilitate greater financial inclusion.

**2) Eligibility:** For the limited purpose of this scheme, to facilitate proper implementation and to ensure equitable participation by all banks, **Service Area approach** shall be adhered to

- a) Individuals who have raised loans from non-institutional sources.
- b) The individual should not be defaulter to any Bank.
- c) Should be a resident of a Service area of the bank branch.
- d) Should have enough capacity to repay.
- e) Age of the applicant shall be between 18 to 60

LDMs to allot Service area for all newly opened bank branches in respective Districts.

##### **3) Identification of the Individual:**

- a) The eligible individual should give a declaration indicating the source of Debt (name and address), amount of debt, date of creation of debt, terms/conditions, securities held, if any and other relevant details and an undertaking that no borrowing would be made from Non institutional sources during the pendency of loan, in case loan is permitted.
- b) Declaration given by the individual is to be certified by Gram Panchayat Secretary or any other official authorized by him in rural areas and by Municipal Secretary/Corporation Secretary or any other officials authorized by them in municipalities and corporations. Government of Kerala would be giving proper directives in this regard to Panchayat/Municipal/Corporation authorities.
- c) If the source of debt is from close relatives, the same would not be considered under the scheme. For the purpose of the scheme close relatives are defined as parents, spouse, children and in-laws.

- d) Only one member from a family as per ration card, would be considered eligible under the scheme. Alternatively, if ration card is not there, then this need to be certified by Panchayat/Municipal Secretary or any other official authorized by him.

#### **4) Loan Quantum:**

- a) Term Loan up to the extent of indebtedness of the individual to non-institutional sources can be considered provided it is within 150% of the gross annual income of the farmer/urban poor from all sources, subject to a maximum of Rs.50,000/-.
- b) Loan limit will be fixed at **the actual amount of non-institutional debt** to be repaid or 150% of the gross annual income of the individual, whichever is lower subject to maximum ceiling of Rs.50000/-.
- c) Loan would be sanctioned only if it is sufficient to clear the entire dues outstanding from non-institutional sources.
- d) If the liability is exceeding the eligible loan amount, then the individual has to bring the differential amount.

#### **5) Security:**

The following conditions shall apply

##### Where the applicant does not have any credit facility with the Bank

The loan under the Rinn Mukthi scheme shall be granted as a clean advance and no security shall be insisted except for the co-obligation specified in item 6 given below.

##### Where the applicant has existing credit facility with the Bank

Collateral security/personal guarantee shall be obtained when aggregation of limit including the proposed Rinn Mukthi loan exceeds the maximum permitted limit for loans without collateral security /personal guarantee under the appropriate sector (Agriculture/Other Priority)

#### **6) Co-obligation:**

Co-obligation of the spouse /adult children of the borrower / any other relative or third party is to be obtained to ensure family pressure in not reverting to non-institutional borrowings again.

### **7) Documents to be produced by borrower:**

- a) Copies of self attested land records/ house tax paid receipt/title deeds/ ration card regarding land /house owned by the individual.
- b) **Income certificate from revenue authorities** is to be produced to enable banks to arrive at the eligible loan quantum. Government of Kerala would be issuing appropriate directions to the revenue authorities to issue income certificates to the identified individuals by adhering to definite time lines as applicable under Right to Service Act.

### **8) Applications, enclosures and Documents to be executed**

- a) Common loan application approved by SLBC.
- b) Declaration by the applicant as detailed under Para 3, above.
- c) Demand Promissory note or other basic documentation stipulated by individual banks.

### **9) Rate of Interest & Other Bank charges:**

Base rate applicable for individual bank.

Banks shall not charge any processing fee /similar charges under the scheme, at the time of sanction.

### **10) Disbursement:**

- a) Based on the declaration, loan is to be disbursed directly to the non-institutional lenders by way of DD or directly to the bank account of the lender by way of NEFT.
- b) Proper receipts / discharge / cancelled loan documents is to be obtained as evidence of redemption of non-institutional debt and the same are to be kept along with loan paper.

### **11) Repayment:**

Loan is to be repaid within 5 years in monthly/quarterly / half yearly / yearly installments based on income generation pattern of the individual.

## **12) Classification of loans and reporting:**

Loans to **Farmers** are to be treated under Priority Sector Advances under **Direct Agriculture**

Loans granted to others up to an amount of Rs.50, 000/- (Rupees Fifty Thousand Only) under the scheme are eligible for classification under Priority Sector Advances under **Other Priority**. Loan is also to be reported under Weaker Section Advances.

(As per RBI master Circular on Priority sector Advances RBI/2013-14/107 RPCD.CO. Plan. BC 9 /04.09.01/2013-14 Dated July 01, 2013)

## **13) Norms for Asset Classification:**

In the case of farmers as per the income generation cycle (Crop Cycle), an account will be classified as NPA if interest and/or installment of principal remains overdue for two crop seasons (in case of short duration crops) and for one crop season (in case of long duration crops).

In the case of non farmers, if the interest and / or installment of principal remain overdue for a period of more than 90 days, then the account is to be treated as Non Performing.

## **14) Other Conditions:**

- a) Existing borrowers of the Bank who are wilful defaulters will not be eligible under the scheme.
- b) *The borrower should undertake not to resort to non-institutional borrowings during pendency of the loan availed under this scheme.*
- c) Future credit requirements for developments / investments / working capital needs can be considered as per extant guidelines applicable for individual banks based on merits.
- d) The farmers are eligible for availing further finance for crop cultivation under KCC. Financing for other term loan requirements should be based on the need, income generation and capacity to service the existing and proposed limits.

\*\*\*\*\*



**ANNEXURE - III**

**COMMON APPLICATION FOR DEBT SWAP SCHEME - "RINN MUKTHI"**

The Branch Manager

.....  
.....  
.....  
.....

<b>Contact Phone No:</b>
<b>Ration Card No:</b>

<i>Pass Port Colour Photo of Borrower</i>
---

<i>Pass Port Colour Photo of Co-obligant/ Guarantor</i>
---

Dear Sir/ Madam,

I/We hereby apply for a loan under Rinn Mukthi scheme for a Limit of Rs. .... (Rupees ..  
.....only) and furnish below the necessary information.

**GENERAL INFORMATION**

1. Full name(s) of applicant/s	Age	Educational Qualification	Ward & Panchayat
--------------------------------	-----	---------------------------	------------------

a. Sri/Smt. ....  
S/o. W/o. ....

b. Profession of the Individual :

c. Full Address: .....

2. Name of the family member/ Relative /Third party who is the co-obligant

a. Sri/Smt. ....  
S/o. W/o. ....

Contact Phone No:.....

Names of family members	Relationship	Whether Dependent	Annual income (Rs.)
a. ....	.....	.....	.....
b. ....	.....	.....	.....

- c. ....
- d. ....
- e. ....

3. Whether belong to (a) Scheduled Caste / Tribes / Backward class / Minority community  
(b) SF/MF/Agri. Labourer

4. Particulars of land holding / House owned:

Village	Survey No	Area in cents	Encumbrance, if any	Remarks

5. Annual income certified by Revenue Authorities: Rs.....

6. Particulars of existing liabilities of the borrower, if any

Name of the Bank / Financial Institution from where the applicant availed loan and is still outstanding	Purpose of Loan	Present outstanding (Rs.)	Of which overdue (Rs.)	Security offered	Installments Repayable during the year Rs.

7. Liabilities as Guarantors :

Loan sanctioned to Shri. / Smt. ....

Name of the Bank / Institution .....

Amount of Loan Rs. ....

Balance Outstanding Rs. ....

(as on .....)

Status of Account : Regular / Overdue

8. Details of Debt Outstanding with Private Money Lender / Non Institutional Borrowing:

Sl No	Particulars	
1	Source of Debt	
2	Full Name & Address of the Financier	
3	Amount Borrowed	
4	Date of Creation Of Debt	
5	Amount to be repaid as on.....	
6	Securities held if any by Money Lender	
7	Bank Account Number of the Money Lender	
8	Name of the Bank	
9	IFSC Code	

9. Details of Security - Collateral/ Personal Guarantee (Wherever Applicable)

.....  
 .....  
 .....

10. Certification by Panchayat / Muncipal / Corporation Official

Certified that Sri / Smt ....., Aged..... S/o / W/o.....  
 ....., residing at .....is an individual who is  
 having borrowings from Private money lenders and is a deserving candidate to be considered for loan  
 under "Rinn Mukthi". The details of debt stated by him / her as above is correct to the best of my  
 knowledge. It is recommended to sanction him/her the eligible loan quantum based on the income  
 certificate produced by him/her.

Date:

Place:

Seal of Panchayat/  
 Municipality/ Corporation

Signature of Panchayat / Muncipal  
 /Corporation Secretary / Authorised Govt official

**11. Declaration:**

- 1) I/we authorize bank to make payment of the loan proceeds and the amount brought in by me / us to the non institutional money lender declared by me by DD/NEFT and we undertake to produce the receipt/debt clearance records for the same.
- 2) In case the debt outstanding is above Rs.50000/- or above my /our Rinn Mukthi loan eligibility, I/ We undertake to bring the difference amount in excess of Rs.50000 (maximum eligible under the scheme) so as to facilitate the one stroke wipe off of the entire dues.

- 3) I/we hereby declare that the particulars given above are true and correct to the best of my/our knowledge and belief. I/we hereby authorize the Bank to disclose all or any particulars or details or information relating to my /our loan accounts with the bank to any other financial institutions, Government or any agency(ies) as may be considered necessary as desirable by the Bank.
- 4) It will be in order for the bank to disqualify me/us from receiving any credit facilities from the bank in case it is proved that the declaration of my/our outside borrowings made above contain misrepresentation of facts. This is apart from the right of the bank to take legal action in case of any loss to it by such act.
- 5) I/we hereby declare that I/we have no borrowings / liabilities excepting those mentioned under item (6), (7) and (8) as on the date of application.
- 6) I/we hereby declare that only one member from my family had applied for assistance under Rinn Mukthi scheme.
- 7) I/we hereby undertake that I would not be resorting to any non institutional borrowing during the pendency of this loan, in case the loan is sanctioned.
- 8) I/we hereby undertake to abide my the terms and conditions that the Bank may stipulate in sanction of this loan and inform bank in the event of acquiring any other assets during the tenure of the advance.

Place:

Date:

Signature of the Co-obligant / Guarantor

Signature of the Applicant

## 12. Sanction Particulars

A loan of Rs..... is sanctioned to Sri/Smt..... under Rinn Mukthi scheme at ..... rate of interest. The loan is to be repaid in ..... monthly /quarterly/half yearly/yearly installments of Rs..... each. The first installment to commence from .....

Place:

Date:

Signature of the Branch Manager

## 13. Terms and Conditions of Sanction

1. The advances must be utilized for the purpose for which it is sanctioned. In the event of misutilisation, the limit will be cancelled and advance recalled.
2. The Bank reserves the right to cancel / suspend / reduce any of or all the facilities sanctioned and alter / amend/vary the terms of this sanction including rate of interest at Bank's discretion without assigning any reason whatsoever.

The above Terms & Conditions are accepted by me / us.

Applicant / Co-obligant / Guarantor (Name)

Signature

1.

2.

Place:

Date:

## **PARTICIPANTS ON 25.06.2014 - OPENING SESSION & GROUP DISCUSSION SESSION**

1. Sri. K. R. Balachandran Convenor, SLBC & General Manager, Canara Bank
2. Smt. Usha Ramesh Deputy General Manager, NABARD
3. Dr. T. V. Durairam Assistant General Manager, Canara Bank
4. Sri. Tomy Sebastian Assistant General Manager, Canara Bank
5. Sri. K. R. Radhakrishnan Assistant General Manager, Reserve Bank of India
6. Sri. K. R. Arun Kumar Chief Manager, Canara Bank
7. Sri. G. Nandakumar Senior Manager, Canara Bank
8. Sri. K. R. Sooraj Officer, Canara Bank

### **GROUP I**

1. Sri. K. Babu Ganesh LDM, Union Bank of India, Idukki (Group Leader)
2. Sri. K. R. Radhakrishnan Assistant General Manager, Reserve Bank of India
3. Sri. Prasad P. Senior Manager, South Indian Bank
4. Sri. S. Rajan Deputy Rubber Production Commissioner, Rubber Board
5. Sri. R. S. Mohanan Chief Manager, State Bank of Travancore
6. Sri. P. John Jose Deputy Registrar (Planning) of Cooperative Societies
7. Sri. C. P. Vijayakumar Deputy Registrar (Credit) of Cooperative Societies
8. Sri. N. Sabu Kumar Under Secretary, Cooperation Department
9. Smt. D. V. Chitra Assistant Director of Agriculture
10. Smt. K. A. Bushra Joint Director of Agriculture
11. Smt. Rajasree U. K. Chief Manager, Dhanlaxmi Bank
12. Smt. P. S. Radhamony Additional Director of State Horticulture Mission
13. Sri. N. S. Subramanian DCO, Central Bank of India
14. Sri. Sasikumar Kurup Chief Manager, Bank of India
15. Sri. A. Selvakumar Manager, Punjab National Bank
16. Sri. Harisankar P Manager, Indian Overseas Bank
17. Sri. K. N. Balakumaran LDM, Indian Overseas Bank, Trivandrum
18. Dr. P. Vimala Joint Director of Animal Husbandry
19. Dr. S. Sunil Kumar Additional Director of Animal Husbandry
20. Sri. Reji Varghese Manager, NABARD
21. Sri. Patrick Jasper Assistant General Manager, NABARD
22. Smt. Annamma Simon LDM, Canara Bank, Thrissur
23. Sri. M. V. Ravindran LDM, Canara Bank, Wayanad
24. Sri. Vasudevan K. S. LDM, State Bank of Travancore, Pathanamthitta
25. Sri. M. K. Jayarajan Senior Manager, Syndicate Bank
26. Sri. Jayamohan I.S. Chief Manager, Federal Bank
27. Sri. S. S. Nair Assistant General Manager, State Bank of India
28. Smt. Brinda R. Agricultural Officer, KSCARD Bank
29. Sri. S. Kalyana Krishnan ADM, KSCARD Bank

### **GROUP II**

1. Sri. Ramesh P Assistant General Manager, Federal Bank (Group Leader)
2. Sri. Ramu K. Assistant Manager, City Union Bank
3. Sri. G. Mari Rajan RSM, ICICI Bank
4. Sri. K. K. Roy Divisional Manager, Canara Bank
5. Sri. C. V. Rajan Senior Manager, Dena Bank
6. Sri. Joseph Cyriac Chief Manager, Kerala Gramin Bank
7. Sri. K. Ananda Babu Joint Director, Coir Board
8. Sri. S. Das Assistant General Manager, State Bank of India
9. Sri. Damodaran P. K. Chief Manager, South Indian Bank
10. Sri. Sabeer Nazeem Senior Manager, UCO Bank
11. Sri. Venugopalan N. M Senior Manager, Punjab National Bank

12. Sri. Sunil P. Deputy Director of Industries & Commerce
13. Smt. Sreelatha P. S. Deputy Registrar, Directorate of Coir Development
14. Sri. N. K. Aravindakshan LDM, Syndicate Bank, Kasaragod
15. Sri. K. Abdul Jabbar LDM, Canara Bank, Malappuram
16. Sri. Ramesh P. Assistant General Manager, Federal Bank
17. Sri. G. Ravikumar LDM, State Bank of Travancore, Alappuzha
18. Sri. V. Mohanan Assistant General Manager, NABARD
19. Sri. Balachandran Senior Manager, Karur Vysya Bank
20. Sri. V. R. Vinod Assistant Director, MSMEDI
21. Sri. Pradeep R. Development Officer, KVIC
22. Sri. K. Satheesh Kumar Deputy Director, KVIB
23. Sri. V. K. Vijayan Commissionerate for Rural Development
24. Smt. Minu Mathews Assistant Manager, Indian Bank
25. Sri. A. Padma Kumar Chief Manager, State Bank of Travancore
26. Sri. Anil Kumar K. S. Deputy Director of Handloom & Textiles
27. Sri. K. Surendra Babu Assistant Director, STDD
28. Sri. K. Bhuvandas LDM, Canara Bank, Kozhikode

### **GROUP III**

1. Sri. K. R. Jayaprakash LDM, Union Bank of India, Ernakulam (Group Leader)
2. Sri. Prakasan M. K. Senior Manager, Kerala State Cooperative Bank
3. Sri. Adalarasan S. Assistant Manager, Corporation Bank
4. Sri. Sanjay U. M. Assistant General Manager, IDBI Bank
5. Sri. Hemanth Raman LDM, Syndicate Bank, Kannur
6. Sri. R. N. Karthikeyan Manager, National Housing Bank
7. Sri. N. Mohanan Pillai Senior Manager, Canara Bank
8. Sri. T. P. Narayanan LDM, State Bank of Travancore, Kottayam
9. Sri. T. T. Thomas Chief Manager, HDFC Bank
10. Sri. K. K. Rai Assistant General Vijaya Bank
11. Sri. Basavaraj M. Bellad Senior Manager, Vijaya Bank
12. Sri. Pradeep K. S. LDM, Canara Bank, Palakkad
13. Smt. Sobha Manoj Manager, ICICI Bank
14. Smt. Bincy W. S. Assistant Manager, Catholic Syrian Bank
15. Sri. B. Shajahan Assistant General Manager, Catholic Syrian Bank
16. Sri. R. Giridharan Chief Manager, Indian Overseas Bank
17. Sri. Amresh Kumar Chief Manager, Bank of Baroda
18. Sri. P. H. Maheswarulu Assistant General Manager, State Bank of India
19. Sri. T. Vijayan Under Secretary, Revenue Department
20. Sri. Issac Raju Deputy Secretary, Higher Education Department
21. Sri. D. Jayakumar Chief Manager, Federal Bank
22. Sri. D. Rajappan General Manager, Janasree Mission
23. Sri. Nikhil Raj N. Officer, Allahabad Bank
24. Sri. Biju Kumar D. S. Senior Manager, Indian Bank
25. Sri. H. Manoj Assistant General Manager, NABARD
26. Sri. K. V. Padmakumar Zonal Coordinator, Akshaya
27. Sri. Rajesh M. Manager, Central Bank of India
28. Sri. Alex Thomas Senior Manager, United Bank of India
29. Sri. Anish Kumar M. S. Team Leader (MF), Kudumbashree
30. Sri. Nagaraj M. Chief Manager, State Bank of Travancore
31. Sri. Koshy Varghese Deputy General Manager, HUDCO
32. Sri. John Joseph Vadassery Deputy General Manager, HUDCO
33. Sri. Ravindran V. Assistant General Manager, Reserve Bank of India
34. Sri. Sarath V. Manager, Akshaya

## **PARTICIPANTS ON 26.06.2014 - PLENARY SESSION**

### **CHIEF GUEST**

<b>Sri. K. M. Mani</b>	Minister for Finance, Kerala
<b>Sri. Ramesh Chennithala</b>	Minister for Home & Vigilance, Kerala
<b>Sri. K. P. Mohanan</b>	Minister for Agriculture, Kerala

### **CHAIRMAN OF THE MEETING**

<b>Sri. R. K. Dubey</b>	Chairman & Managing Director, Canara Bank
-------------------------	---

### **GOVERNMENT OF KERALA / GOVT. OF INDIA / DEVELOPMENTAL AGENCIES**

1. Sri. E. K. Bharat Bhushan, IAS	Chief Secretary, Government of Kerala
2. Sri. V. Somasundaran, IAS	Additional Chief Secretary, Finance Department
3. Sri. P. H. Kurien, IAS	Principal Secretary, Industries & Information Technology
4. Sri. A. Ajithkumar, IAS	Secretary, Taxes Department
5. Sri. K. R. Jyothilal, IAS	Secretary, Agriculture Department
6. Sri. P. M. Francis, IAS	Director of Industries & Commerce
7. Smt. K. B. Valsalakumari	Executive Director, Kudumbashree
8. Dr. K. Prathapan	Director, State Horticulture Mission - Kerala
9. Dr. N. N. Sasi	Director of Animal Husbandry
10. Sri. Issac Raju	Deputy Secretary, Higher Education Department
11. Sri. T. Vijayan	Under Secretary, Revenue Department
12. Sri. C. G. Hari Kumar	Commissioner of Land Revenue
13. Sri. P. K. Mohanan	Joint Development Commissioner of Rural Development
14. Smt. K. P. Lalithamaney	Director, KVIC
15. Dr. P. Vimala	Joint Director of Animal Husbandry
16. Dr. Laila M.	Joint Director of Fisheries
17. Sri. K. S. Anil Kumar	Deputy Director of Handloom & Textiles
18. Sri. Sunil P.	Deputy Director of Industries & Commerce
19. Sri. K. Satheesh Kumar	Deputy Director, KVIB
20. Sri. Sajjan C. V.	Assistant Commissioner of Land Revenue
21. Sri. V. K. Raju	Additional Director of Agriculture
22. Sri. V. Sanil Kumar	Additional Registrar of Cooperative Societies
23. Sri. S. Rajan	Deputy Rubber Production Commissioner, Rubber Board
24. Sri. P. John Jose	Deputy Registrar (Planning) of Cooperative Societies
25. Sri. Premnath Ravindranath	General Manager, KFC
26. Sri. John Joseph Vadassery	Deputy General Manager, HUDCO
27. Sri. Koshy Varghese	Deputy General Manager, HUDCO
28. Sri. K. V. Padmakumar	Zonal Coordinator, Akshaya
29. Sri. V. R. Vinod	Assistant Director, MSMEDI
30. Sri. Sarath V.	Manager, Akshaya
31. Sri. Anish Kumar M. S.	Team Leader (MF), Kudumbashree
32. Sri. D. Rajappan	General Manager, Janasree Mission

### **RESERVE BANK OF INDIA**

1. Sri. Nirmal Chand	Regional Director
2. Sri. K. Santhakumar	Deputy General Manager
3. Sri. V. Reveendran	Assistant General Manager
4. Sri. K. R. Radhakrishnan	Assistant General Manager

## **NABARD/SIDBI/National Housing Bank**

- |                           |                                   |
|---------------------------|-----------------------------------|
| 1. Sri. Ramesh Tenkil     | Chief General Manager, NABARD     |
| 2. Sri. A. C. Sahu        | Deputy General Manager, SIDBI     |
| 3. Sri. Vinod C           | Assistant General Manager, NABARD |
| 4. Sri. R. N. Karthikeyan | Manager, National Housing Bank    |

## **STATE BANK GROUP**

- |                             |                             |
|-----------------------------|-----------------------------|
| 1. Sri. G. Madana Mohan Rao | General Manager, SBT        |
| 2. Sri. S. Jeyaram Moorthy  | Deputy General Manager, SBI |
| 3. Sri. R. N. Hegde         | Deputy General Manager, SBI |
| 4. Sri. B. Ramakrishna      | Deputy General Manager, SBT |

## **PUBLIC SECTOR BANKS**

- |                                |   |
|--------------------------------|---|
| 1. Sri. T. C. John             | Deputy General Manager, Union Bank of India     |
| 2. Sri. S. Ravindran           | Deputy General Manager, Syndicate Bank          |
| 3. Sri. Rajshekar Bhaskaran    | Regional Manager, Central Bank of India         |
| 4. Sri. A. Yeshwanthi          | Deputy General Manager, Indian Overseas Bank    |
| 5. Sri. V.A. Prasanth          | Deputy General Manager, Indian Bank             |
| 6. Sri. V. Anand               | Deputy General Manager, Bank of India           |
| 7. Sri. Sumanta Mohanty        | Assistant General Manager, Punjab National Bank |
| 8. Sri. Sanjay U. Manohar      | Assistant General Manager, IDBI Bank            |
| 9. Sri. K. K. Rai              | Assistant General Manager, Vijaya Bank          |
| 10. Smt. S. Sheela             | Zonal Manager, Indian Bank                      |
| 11. Sri. C. V. Guruvayoorappan | Zonal Manager, UCO Bank                         |
| 12. Sri. S. Lakshmanan         | Chief Manager, Corporation Bank                 |
| 13. Sri. Amresh Kumar          | Chief Manager, Bank of Baroda                   |
| 14. Sri. K. V.S. S. Prasad     | Chief Manager, Andhra Bank                      |
| 15. Sri. Biju Kumar D. S.      | Senior Manager, Indian Bank                     |
| 16. Sri. M. K. Jayarajan       | Senior Manager, Syndicate Bank                  |
| 17. Sri. Alex Thomas           | Senior Manager, United Bank of India            |
| 18. Sri. C. V. Rajan           | Senior Manager, Dena Bank                       |
| 19. Sri. Basavaraj M. Bellad   | Senior Manager, Vijaya Bank                     |
| 20. Sri. Harisankar P          | Manager, Indian Overseas Bank                   |
| 21. Sri. Hariprasad K. B.      | Manager, Allahabad Bank                         |
| 22. Sri. Rajesh M.             | Manager, Central Bank of India                  |
| 23. Sri. Adalarasan S.         | Assistant Manager, Corporation Bank             |
| 24. Sri. Krishnan Allakad      | Officer, Punjab & Sind Bank                     |

## **CONVENOR BANK (CANARA BANK)**

- |                            |                                  |
|----------------------------|----------------------------------|
| 1. Sri. S. Ramesh          | General Manager                  |
| 2. Sri. K. R. Balachandran | Convenor, SLBC & General Manager |
| 3. Sri. C. G. Nair         | Deputy General Manager           |
| 4. Sri. D. Suresh Pai      | Deputy General Manager           |
| 5. Dr. T. V. Duraipandi    | Assistant General Manager        |
| 6. Sri. Tomy Sebastian     | Assistant General Manager        |
| 7. Sri. B. Chandrasekhara  | Divisional Manager               |
| 8. Sri. K. R. Arun Kumar   | Chief Manager                    |
| 9. Sri. G. Nandakumar      | Senior Manager                   |
| 10. Sri. K. R. Sooraj      | Officer                          |



## **REGIONAL RURAL BANK**

1. Sri. Shaji K. V

Chairman, Kerala Gramin Bank

## **PRIVATE SECTOR BANKS**

1. Sri. K. I. Varghese

General Manager, Federal Bank

2. Sri. Abraham K. George

General Manager, South Indian Bank

3. Sri. M. Muraleedharan

Deputy General Manager, Dhanlaxmi Bank

4. Sri. Jayakumar R. Nair

Deputy General Manager, ICICI Bank

5. Sri. Ramesh P

Assistant General Manager, Federal Bank

6. Sri. B. Shajahan

Assistant General Manager, Catholic Syrian Bank

7. Sri. P. Thiagarajan

Assistant General Manager, City Union Bank

8. Sri. Subhash N.

Deputy Vice President, HDFC Bank

9. Sri. Jayasankar

Senior Vice President, HDFC bank

10. Sri. T. T. Thomas

Chief Manager, HDFC Bank

11. Sri. T. L. Damodaran

Chief Manager, City Union Bank

12. Sri. Balachandran

Senior Manager, Karur Vysya Bank

13. Smt. Sobha Manoj

Manager, ICICI Bank

14. Sri. James

Manager, ING Vysya Bank

15. Sri. Sunil Kumar

Deputy Manager, AXIS Bank

## **CO-OPERATIVE BANKS**

1. Sri. V. Prabhakaran Nair

General Manager, Kerala State Co-operative Bank

2. Smt. Aparna

General Manager, KSCARD Bank

3. Sri. S. Kalyana Krishnan

ADM, KSCARD Bank

## **LEAD BANK OFFICES**

1. Sri. K. N. Balakumaran

LDM, Indian Overseas Bank, Trivandrum

2. Sri. D. Sukumar

LDM, Indian Bank, Kollam

3. Sri. Vasudevan K. S

LDM, SBT, Pathanamthitta

4. Sri. G. Ravikumar

LDM, SBT, Alappuzha

5. Sri. T. P. Narayanan

LDM, SBT, Kottayam

6. Sri. K. Babu Ganesh

LDM, Union Bank of India, Idukki

7. Sri. K. R. Jayaprakash

LDM, Union Bank of India, Ernakulam

8. Smt. Annamma Simon

LDM, Canara Bank, Thrissur

9. Sri. Pradeep K. S

LDM, Canara Bank, Palakkad

10. Sri. K. Abdul Jabbar

LDM, Canara Bank, Malappuram

11. Sri. K. Bhuvanadas

LDM, Canara Bank, Kozhikode

12. Sri. M. V. Ravindran

LDM, Canara Bank, Wayanad

13. Sri. Hemanth Raman

LDM, Syndicate Bank, Kannur

14. Sri. N. K. Aravindakshan

LDM, Syndicate Bank, Kasaragod