

STATE LEVEL BANKERS' COMMITTEE, KERALA
(Under Lead Bank Scheme of RBI)

Convenor:



Ref: Kerala SLBC/NC/127/MA/2019

Date: 06 March 2019

**SLBC Sub Committee on Natural Calamity(2018) -
Decisions taken in the meeting dt 06 March 2019**

The meeting commenced at 2.30 pm in the Board Room , Floor no 6 , Canara Bank Building , Trivandrum , with Smt G K Maya, Convenor SLBC & GM Canara Bank in Chair. The list of participants is annexed.

The meeting was convened subsequent to the unfortunate suicides reported in the State, especially in Idukki and Wayanad Districts and in the backdrop of a meeting called by the Hon'ble Chief Minister on 06 March 2019 at his chamber.

1. The committee decided that SLBC may write to RBI on the following issues

- To permit Moratorium till 31.12.2019 on Agricultural loans and loans to those borrowers whose income is mainly from agriculture and allied activities.
- To permit DPD (Days Past Due) for 2 crop seasons for Agricultural loans and loans to those borrowers whose income is mainly from agriculture and allied activities.
- Permission for retaining the asset classification (Not to be down graded) at par with the relaxations permitted for MSME borrowers as per RBI Cir DBR No. BP 18/21.04.048/2018-19 dt.01.01.2019.

2. With regard to providing moratorium on Agricultural loans and loans to those borrowers whose income is largely from agriculture and allied activities, the committee clarified that Banks may permit moratorium to those loans pertaining to flood affected villages notified by Government, subject to the permission from RBI.

Borrowers need to submit application for restructure/fresh finance in flood affected areas. Banks have to take care to save limitation in all the cases.

3. The Govt: of Kerala has demanded moratorium on RR proceedings. The committee clarified that even if Banks are compelled to initiate RR proceedings, RR authorities may keep the same in abeyance as advised by the Government.

4. SARFAESI actions may be avoided as far as possible in Idukki and Wayanad Districts till 31st Dec 2019 as demanded by the State Govt.

5. A Committee at District level with LDM, representative from SLBC and respective Bank Official may examine the cases before initiating / continuing the SARFAESI actions. This is in respect of loan accounts where source of repayment is mainly from agriculture.

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6. The committee clarified that fresh finance under Agriculture can be provided to applicants in the flood affected villages wherever restructuring of existing loans is permitted as a relief measure. For those accounts where restructuring has not been done, the same can be done upto 31.12.2019, subject to RBI permission.
7. The committee observed that for crop loans upto Rs.3 Lakhs, rate of interest charged is 9%, which is uniform across Banks.
8. The Committee clarified that Gold Loans granted to agriculturists may be excluded from the relief measures.
9. The committee recommended that FLCs in coordination with Agriculture & Allied Departments of the Government, may conduct camps to create proper awareness on restructuring and financial literacy among the farmer borrowers. All Banks to actively participate in the said camps.
10. The Committee observed that relief measures for non-farm sector were not implemented by Co-operative Banks. In this regard, NABARD and Kerala State Cooperative Bank, who are both members of SLBC, may take the initiative to communicate the RBI's Relief Measures implemented by Commercial Banks.

The meeting concluded at 4.15 p.m.


G K MAYA
Convenor, SLBC Kerala
& General Manager, Canara Bank

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