

State Level Bankers' Committee, Kerala
STATE LEVEL REVIEW MEETING 2009
Minutes of the Meeting held on 27th & 28th August 2009
at Hotel Residency Tower, Trivandrum

DELIBERATIONS ON 27th AUGUST, 2009

OPENING SESSION

The meeting commenced at 10.30 a.m. with **Sri. H. S. Upendra Kamath**, Executive Director, Canara Bank in the chair.

Sri. K. N. Acharya, General Manager, Canara Bank and Convener SLBC, Kerala welcomed the participants to the Opening Session of the two-day Review Meeting

In his introductory remarks he informed that SLBC, Kerala, being the apex level body in the Lead Bank set up of the State has been constituted to review and monitor the credit flow to the Priority Sectors of the economy. In the present context of added thrust to the credit dispensation to the primary and secondary sectors, SLBC forum has got an onerous task. It had the bounden duty to ensure that the needy sectors were well taken care of while dispensing credit to achieve the set target. He expressed hope that the forum would rise to the occasion and would come out with creative and pragmatic suggestions for the overall development of the State.

He remarked that analysis of banking parameters, be it Deposits mobilized, Credit deployed, Credit Deposit Ratio and various relief packages including ADWDR Scheme, Financial Inclusion, exposure under DRI etc. would be undertaken by the Chairman of the meeting. An important aspect he revealed was that to the extent possible website of SLBC was updated with latest information, news articles, photographs and video clips. He requested all member banks to contribute to the SLBC website wherein they could regularly provide live information. He then requested Sri. H. S. Upendra Kamath to guide the day's proceedings.

Sri. H. S. Upendra Kamath, Executive Director, Canara Bank extended a warm welcome to all the participants before delivering his presidential address.

Sri. H. S. Upendra Kamath opened his address with the remark that SLBC had become an active partner in the development journey of the State of Kerala. He stated that the State Level Bankers' Committee was a forum for Convergence and Co-ordination wherein Government and Banks are the main stakeholders.

According to him 2009-10 was going to be a challenging year. The Indian banking industry is working in intensively competitive marketing. Almost all banks in India were trading the growth path with innovative products leveraging technology and assuring

strong risk management practices. This he remarked would need banks to put in place proper systems for managing their Assets & liabilities.

He briefly touched upon the aspects of the monetary policy announced by RBI for the remaining period of 2009-10 in the light of the macroeconomic developments.

Sri. Kamath hoped that the global economy was showing signs of stabilization, if not recovery. He opined that the pace of decline in economic activity in several major advanced economies had slowed, frozen credit markets have started slight pick up and equity markets have begun to recover. Recent months have also witnessed industrial activity reviving in a number of emerging market economies. Notwithstanding some positive signs, the path and the time horizon for global recovery remain uncertain in the light of subdued consumption demand, increased unemployment levels and in anticipation of further contraction in global trade and private capital flows. He pointed out that business and consumer confidence are yet to show definitive signs of revival but the financial sector appears to be stabilizing in response to concerted actions taken by governments and central banks across the world, economic recession in the real sector persists. Sri. Kamath pointed out that according to the latest assessment by the International Monetary Fund (IMF), the global economy was projected to shrink by 1.4 per cent in 2009 before recovering and expanding by 2.5 per cent in 2010. The IMF, however, upgraded the growth outlook for developing Asia citing improved prospects in China and India.

Sri. Kamath observed that the Indian economy experienced a significant slowdown in 2008-09, in comparison with the robust growth performance in the preceding five years, largely due to the knock-on effect of the global financial crisis. India's exports contracted during eight straight months which, in turn, impacted the industrial sector and the services sector. The financial sector, however, remained relatively unaffected despite the severe stress created by the global deleveraging process, which triggered capital outflows in the second half of 2008-09.

The quick, effective and aggressive policy responses both by the Government and the Reserve Bank he stated, had mitigated the impact of the global financial crisis. The large domestic demand bolstered by the government consumption, provision of forex and rupee liquidity coupled with sharp cuts in policy rates, a sound banking sector and well-functioning financial markets helped cushion the economy from the worst impact of the global met down. He felt that there was progressive signs of recovery in India: food stocks have increased; industrial production has turned positive; corporate performance has improved; business confidence surveys are optimistic; leading indicators show an upturn; interest rates have declined; credit off-take has picked up after May 2009; stock prices have rebounded; the primary capital market has witnessed some activity; and external financing conditions have improved. On the other hand, he observed some negative signs: delayed and deficient monsoon; food price inflation; rebound in global commodity prices; continuing weak external demand; and high fiscal deficit.

He remarked that as liquidity remains ample, the competitive pressure on banks to reduce lending rates had increased. Consequently, the transmission of policy rate changes to bank lending rates has improved since the last Annual Policy announcement in April 2009. As the term deposits contracted earlier at high interest rates are likely to mature and get reprised at lower rates, it opens up opportunity for banks to have a relook at their interest structure.

On current assessment, the growth projection for GDP for 2009-10 was placed at 6.0 per cent with an upward bias. This updated growth projection thus marks a slight improvement over the growth expectation of around 6.0 per cent. The overall macroeconomic scenario according to him continues to be uncertain, although it is expected that the fiscal and monetary stimulus measures would supplement domestic demand in 2009-10.

He touched upon the Wholesale Price Index inflation and stated that by June 2009 it turned negative due to the statistical base effect and not because of any contraction in demand.

Sri. H. S. Upendra Kamath felt that we are going through what is by all accounts the deepest economic crisis of our time. He remarked that economic historians are comparing this crisis to the Great Depression of the 1930s. Both were global in scope, both were centered around United States, and importantly both were preceded by mounting global imbalances, loose monetary policy and high levels of leverage.

Still, there were important differences between the Great Recession of today and the Great Depression and all the crises in between. A number of regions of the world - Latin America and Asia - and a number of individual countries such as Argentina, Mexico, Russia, Turkey - had all gone through crises, and these crises were essentially traditional retail banking and currency crises. During these crises richer countries buffered the fall bailing out the troubled regions. In contrast, the current crisis hit at the very heart of global finance with no buffer to fall back on. Some studies suggest that the net worth impact of this crisis, when measured by variables such as declines in output, trade volumes and stock markets, has arguably been more severe than that of the Great Depression.

The point he stressed was that almost every country around the world had been impacted by this crisis.

Reviewing the performance of Banking industry during the last fiscal, he pointed out that major Indian banks have consolidated their position in top line as well as bottom line growth.

He remarked that the position of the Banking System in Kerala was also not different.

He claimed that Kerala State had a very unique style of development path. Kerala, the state of big opportunities - Blessed with scenic beauty and abundant natural resources

located midway through the international trade corridor connecting Europe and the Pacific region, with over 30 airlines, international airport and sea port - power, water, land and human resources in good quantity and quality - achievements on health care and literacy at par with European nations - most developed infrastructure facilities in terms of telecommunications, transportation, education... productive and intelligent work force with highest density of science and technology personnel - attractive package of incentives to new industrial ventures on and on goes the list.

He remarked that with the turn of the century, Kerala was rapidly becoming one of the preferred Industrial Destinations of the nation. These industries, he pointed out, included coir, cashew, handlooms, handicrafts, bamboo etc. The traditional industries are one of the major sectors, which give employment to more than 1 million people in Kerala. He hoped that as we brace ourselves to meet the challenges of the new millennium, ideal business opportunities would be thrown up aplenty in the State.

Sri. Kamath then listed the areas of excellence the State is known for.

- The State having 91% of literacy - against the national average of 65 %, is on the top among all the States and union territories.
- Women empowerment, especially through the micro finance and women entrepreneurial ventures have recorded high success rate.
- Women Self Help Groups in Kerala, with special reference to “Kudumbashree” units – the Poverty Eradication Mission of the State Government, are examples of success achieved through the harmonious working of bankers and developmental agencies in tandem with the State Government initiatives.
- The massive campaigns and untiring efforts undertaken by the members of SLBC in co-ordination with all the banks, Government departments, Kudumbashree and NGOs, the State could achieve a very special status as “Total Banking State”. This is an envious position among all the States in the country.

He expressed happiness over RBI’s initiative for organizing campaigns for Financial Literacy and Credit Counseling through out the State.

He touched upon the IT-Enabled Financial Inclusion – the latest initiative by RBI and SLBC with funding support from NABARD towards achieving the goal of more realistic Financial Inclusion. He expressed hopes that though these processes enabled with newer technologies and support from Government, the State would be in a position to resolve issues relating to the payment of wages under NREGP and Social Security Pensions to the underprivileged and marginalized sections of people in the society.

He then undertook a detailed review of the performance of the Banking sector.

- During the last fiscal of 2008-'09, Commercial Banks opened **143 new branches** in the State. During the first quarter of the current financial year, the banks in Kerala have

opened **19 new branches** which took the total to **4103 branches** of commercial banks in the State as at June 2009.

- The **total deposits** of banks in the State grew by 19.07% during the last fiscal. The resources mobilized by banks in Kerala as at March 2009 was at Rs. 1,30,350 crores with a net accretion of Rs. 24,862 crores during the year.
- A review of the deposit growth during the first quarter of the current fiscal indicates that the total deposits have grown by Rs. 4,413 crores to reach a level of Rs. 1,34,763 crores as at June 2009. The share of domestic deposits in the State's total deposits mobilized has been steadily growing which reached a level of 71.87 % as at June 2009. Touching at Rs. 96,780 crores, the domestic deposits have continued to show the faster momentum as experienced during the past few years. The non-resident deposits of the Commercial banks in Kerala recorded an addition of Rs. 964 crores during the June quarter of 2009-10 and reached a level at Rs. 37,983 crores. It constitutes 28.19% of the total resources by banks in the State.
- **Total bank credit** of Commercial banks in Kerala grew by only 9.07% during the last fiscal 2008-09. The banks in Kerala reached a level of Rs. 82,818 crores by the end of March 2009. With Rs.1,466 crores being added during the first quarter of the current fiscal the Banks reached an outstanding level of Rs. 84,284 crores as at June 2009. On a comparative analysis, it was found that there was an addition of Rs.541 crores over the corresponding period of the last fiscal, which is indeed encouraging.
- Nearly 50% of the state's population depends on **Agriculture**. He noted with concern that the total outstanding credit under Agriculture in the State was only Rs. 15,959 crores as at March 2009, a share of 19.27% in the total loan book of banks. He appealed to all the bankers to swiftly put in place necessary proactive steps in such a way that credit off-take under Agriculture sector picks up further momentum in the State.
- The **Credit Deposit Ratio** of banking sector is considered as one of the strong indices of economic activity in any State. There has been a leap in Credit Deposit Ratio of Kerala's banking sector during the recent years which rose from 45.47 % in 2003 to an all-time high of 71.39 % as at March 2008. However, this has slipped to 63.54% in March 2009. This was further pushed down by another 1% during the first quarter of current fiscal, registering a reducing level at 62.54 % as at June 2009. This he attributed to the increased flow of inward remittance in the State and also due to the reason that an amount of Rs.2,375 crores had been waived under ADWDRS – 08 scheme.

He remarked that the C:D ratio in the State was however slightly above the mandatory norm of 60 % stipulated by the Reserve Bank of India. It was also observed that the Semi-Urban and Rural branches of banks in Kerala reflect a reduced level of C:D Ratio, compared to Urban branches. He suggested that Banks in Kerala may realign their strategies so that C:D ratio improves further in their Semi-urban branches where it reflects a level of around 52 % at present.

- The performance under Annual Credit Plan is reckoned as a direct measure of **priority credit** deployment. The banking sector in the State achieved 140.53 % of the target under Annual Credit Plan as at March 2009. The total amount of priority credit disbursed in the State during the fiscal was Rs. 48,387 crores, of which, 33% was the share of agriculture advances. The SME sector, which is gradually picking up the pace, has a share of 16.73%, when compared to 7% during last fiscal.

The annual growth in terms of outstanding under Priority Sector advances from June 2008 to June 2009 was Rs. 5,498 crores.

The growth in Weaker Section advances was Rs. 2,516 crores.

The priority sector advances in the State of Kerala takes a share of 58.42 % as at March 2009 which is well above the goal of 40 % fixed by Reserve Bank of India.

- The **DRI** advances as at March 2009 registered 0.28% growth to last year's gross credit which was 0.26% more than the figure as at March '08. This he pointed out was still below the mandatory level of 1 % of previous year's total advances. Though there has been vast improvement in the quantum of DRI loan component, he suggested that each rural bank branch may take earnest steps to sanction more DRI loans in the ensuing year to improve the lending under this sector.
- Banks in Kerala have added Rs. 504 crores under **advances granted to SC/ST** beneficiaries from March 2008 to March 2009. The banks in the state has lent Rs 9,096 crores to **Women beneficiaries** which forms 10.98% of total advances and Rs.18,729 crores to **Minority communities** which form 38.70% of Priority Sector advances.

Reviewing the performance under Government Sponsored Schemes, Sri. Kamath observed that Kerala State has got a very good track record of performance under **SGSY**. As at March 2009, the banks in the State have sanctioned 35,273 loans under the scheme involving an amount of Rs. 129.23 crores. In case of **SJSRY**, banks in the State have sanctioned Rs. 39.92 crores to 12,396 beneficiaries.

Though the public sector banks have achieved more than their targeted level of sanctions, private sector banks could not achieve the level expected out of them. He requested the Controllers of all Banks present in the meeting to be more proactive in the implementation of the Government Sponsored schemes in the State.

The recovery performance under Government sponsored schemes was a cause of concern as the recovery levels of PMRY, SGSY and SJSRY were all very poor. On behalf of the banks, he appealed to the Rural Development Department, Industries Department, Kudumbashree and other Departments to extend maximum support to banks to recover the legitimate dues under the Government sponsored schemes.

Micro credit absorption in the State has been showing very good progress. As per the information available with SLBC Convener, 2.60 lakh SHGs have already been linked to

banks. Out of this 92% are exclusively for women members. Banks in Kerala have by and large been proactive in supporting any positive ventures implemented in the State. The Developmental Departments too have been extending all possible support in the successful implementation of the developmental programmes of the State Government.

Before concluding Sri. Kamath thanked State Government and various Developmental Departments and Agencies for the excellent support and co-operation rendered to the banking sector. He also expressed hopes that the same level of mutual co-operation and synergies should co-exist in future.

In his address, **Sri. S. Ramaswamy**, Regional Director, Reserve Bank of India, on behalf of RBI, appreciated Sri. K. N. Acharya for the services rendered to the banking community in the capacity as SLBC Convenor. He pointed out that with the excellent coordination between RBI, Government, Banks and Convenor, SLBC lot of new things could be done and lot of decisions could be taken for the overall benefit of the public of the State through banking system. He then welcomed Sri. N. R. Venkataramani, General Manager, Canara Bank who would be the successor of Sri. K. N. Acharya and expressed confidence that the same high level of coordination and co-operation between the SLBC Convenor, RBI, NABARD, Government and every member would continue. He also welcomed Sri. K. C. Shashidhar, Chief General Manager, NABARD who had taken charge recently and pointed out that NABARD had a very critical role to play for the development of the State and there was a very close and organised link between RBI and NABARD.

Sri. S. Ramaswamy expressed his happiness over the setting up of website of SLBC which was a good gesture and reminded that it was more important to maintain the same. He made a request that some more materials in Malayalam may be put in the website. He also expressed happiness over the supply of the Malayalam version of the minutes of the previous SLBC meeting. According to him, it may be the first time in history that the minutes of the SLBC have been brought out in local language, for which he congratulated Sri. Acharya for satisfying everybody's requirements. He pointed out that as per the experience at Regional Office, Kerala, they brought the summary of annual report in the local language twice in 2006-07 and 2007-08. It was the first time that major publication of RBI was brought out in other than Hindi and English and was surprised with the response from the public of the State towards the Malayalam version of the publication. It was appreciated by the general public too. He was sure that this would continue and suggested that brief version of the agenda would also be brought out in Malayalam in future.

He gave an insight to the changes stipulated by the High Level Committee on "Lead Bank Scheme" which was chaired by Deputy Governor, Smt. Usha Thorat. He pointed out that the reports have been finalised and had brought out lot of specific action points and recommendations for implementation of the Lead Bank Scheme wherein a lot of responsibility goes to the SLBC Convenor and Lead Banks of the respective districts.

Sri. Ramaswamy also touched upon the aspects of Financial Inclusion – first phase its impact; further recommendations for financial literacy, credit counselling including challenges and responsibilities for setting up Credit Counselling Centres and Financial Literacy Centres. He then spelt out the strategies to be adopted by RBI in stressing the above in the State.

He then briefly touched on the outreach programme being organised in connection with Platinum Jubilee celebration of RBI for which large number of programmes are being planned by the Kerala Regional Office of RBI. He pointed out that RBI had convened two such programmes so far in the series (1) Chellanam village in Ernakulam district (2) Muthukulam in Alappuzha district. RBI had 10 more specific locations identified for the outreach programme till end of the financial year. He sought the support from everybody for the successful conduct of the outreach activities.

Concluding his remarks, Sri. S. Ramaswamy pointed out that lot of issues were to be discussed in detail during the 2 day meeting of SLRM regarding primary, secondary and tertiary sectors for which all participants would put together the minds and leverage the strengths of the State so as to achieve the full potential of the State in tune with the goal of the economic and social empowerment of the public in Kerala.

Sri. K. C. Shashidhar, Chief General Manager NABARD in his opening remarks thanked the members of forum for the good words to welcome him to the meeting. He expressed great pleasure to join the forum for a very challenging assignment after assuming the charge of Chief General Manager NABARD for the State of Kerala and Union Territory of Lakshadweep. He observed that Bankers in Kerala are working on rather comfortable position as compared to the States like Bihar, Jharkhand, Uttarpradesh, Rajasthan, Orissa and so on. According to him the nature of the issues were extremely challenging from the bankers perspective. He said that he had undertaken visits with Regional Director of RBI as well as banks and got the impression that there were lot of spaces to work very closely to take things forward in the State.

Sri. K. C. Shashidhar congratulated bankers in Kerala for achieving the ground level credit target of 109%. He expressed great satisfaction for meeting the targets under farm sector, non farm sector and other sectors during the previous year and stated that it does not happen in all States of the country and bankers in Kerala are really on the winners seat.

While analysing the State's overall priorities he opined that a brain storming session by bankers, responsible captains of financial sector and other related departments working for the economic development of the State has to be organised to set up strategies for meeting the unforeseen eventualities of natural calamities.

He observed that SLBC and Review Meetings, critically review the performance of various agencies and new strategies are devised. He suggested that Bankers should have innovative approach in solving certain aspects of unexpected issues and certain issues which have been persistent and not been solved over the years. Based on the outcome of the meetings with Chief Secretary, Secretaries of Departments, Government of Kerala as well as the field experience, Sri. K. C. Shashidhar suggested few important points for bankers to take up as part of their strategy.

- Government of Kerala gives lot of importance and concern to Food security. He called upon bankers to rise to the occasion to meet the financial requirements of this sector. Government of Kerala, Banks, RBI and NABARD have to take proactive steps for addressing the serious challenges of food security and agrarian distress of the State.
- Kerala have many small micro enterprises, but non-farm sectors especially weavers sector, handicrafts sector etc. require up-scaling of credit support from banks and support for marketing of the products. Appropriate steps shall be taken for covering this aspect.
- Dairy sector/Fishery sector in the State require concentrated attention both from the concerned Departments as well as Bankers, taking into account its scope and the extend of modernisation that has taken place in these sectors.
- Matured SHGs require the support of bankers at the grass root level, so as to become micro enterprises gradually. Micro enterprise will have greater strength as far financial sector is concerned and will also have backward and forward linkages. Formation of JLGs and financing them shall also be given importance by the banks.
- For Tribal development, there were packages for Wayanad, Palakkad and Thrissur districts and the same are to be extended to other districts also to make them feel comfortable with banking support for their development.

Sri. K. C. Shashidhar requested all bankers to give adequate thought on the above points and expressed happiness in guiding the banks in support of those activities

Sri. Paul Antony IAS, Principal Secretary, SC/ST Development Department, Government of Kerala informed that State Government gives a lot of importance for the meetings with banks. This, he remarked, had helped the united exercise in setting the target and action plan for next years to come in place. He stated that he was closely associating with SLBC since 1996, when he was the Director of Industries.

He observed that quite number of issues that would facilitate credit flow in the State is seen unattended and carried forward for quite long periods. He felt that these are to be sorted out early in the best interest of the development of the State. He felt that if a meeting could be arranged with Chief Secretary, definitely many issues could be resolved.

He congratulated banks for the excellent performance under ACP last year. While observing the overall target and achievement, he pointed out that in certain areas; districts like Kannur, Wayanad and Kasaragod have unfortunately missed out on the achievement of credit targets under agriculture. He called upon everyone concerned to ensure that the targets are achieved in the coming year itself.

He expressed concern that the outstanding under Agriculture seems to be stagnant or had declined by Rs. 32 crores between March 2007 and March 2008. This he attributed may be due to the ADWDRS 2008 scheme. However, he expressed happiness over the performance as at June 2009 wherein increase has been registered under the agriculture sector. As far as SME sector is concerned, only 79% of the target could be achieved whereas districts like Ernakulam, Malappuram, Idukki have missed the target. He requested all banks to maintain the CD Ratio well above the mandatory level of 60%. He observed that one of the reasons for declining the CD Ratio was the growth under deposits and requested banks to take note of various positive developments in the case of larger projects coming up such as the Coach factory, so as to improve the credit offtake in the State.

He also pointed out that the performance under DRI advances was not satisfactory and requested all banks to step up their lending under this sector.

Sri. Paul Antony touched upon the EMS Housing scheme and pointed out that the scheme will be covering all the people below poverty line. He pointed out that lot of investment opportunities were coming up and hoped to do big joint projects with NABARD. He concluded by wishing the deliberations to follow all success.

Sri. K. N. Acharya, Convener, SLBC Kerala pointed out that many issues pending with Government were discussed in various SLBC meetings and taken up with Government of Kerala. Of these some issues have been sorted out and also hoped that remaining pending issues would be sorted out with the guidance of Sri. Paul Antony, IAS.

Sri. A. K. Jagannathan, Managing Director, State Bank of Travancore pointed out that Chairman of the meeting had beautifully placed the performance of the banking sector and reviewed it. He remarked that review had already given the bankers the strategies which are to be implemented. He also expressed concern over the low CD Ratio of semi-urban area banks. He suggested that an analysis has to be done by individual banks on their own ratio and take proper action.

He observed that increasing the advances under DRI, recovery performance under Government Sponsored schemes, falling rate of CD Ratio in Kerala etc. are to be taken seriously by Banks. He explained that SBT was trying to push agriculture credit through

Haritolsavam. They were looking for support from the Government Department, NABARD, RBI etc. He then highlighted the following issues in the forum:

- Regarding setting up of RSETI by Lead Bank, NIRD, Hyderabad was asking for document from State Government for having allotted the land. As the funds will be released only after this procedure, he made a request to all concerned to speed up the process.
- The matter of including Export credit granted to small and micro enterprise under priority credit to be taken up with Government which is presently excluded from priority sector advances. .
- There is an indirect form of penalty for banks, who do not achieve the stipulated norm of 18% under agriculture lending, that the working capital should be invested in RIDF which carried only 5% return. Non achievement of agricultural advances is due to the limited agriculture opportunities in Kerala. After 31.03.2010 outstanding under RIDF will not form part of Priority sector lending too. So the challenges would be more now, either to gear up the priority sector advances in other methods or the limit maybe further extended by the authorities concerned.
- In JLGs, Individual cap of Rs.50,000/- per head and Group borrowing of Rs. 5 lakh may be reviewed to Rs. 1 lakh and Rs. 10 lakh respectively.
- Purchase and development of abandoned estate- common guidelines may be issued for all banks by NABARD/RBI.
- A scheme similar to CGTMSE to be made applicable to Agriculture Segment Advances also, to take care of the collateral free loans.
- Regarding first charge claimed by Sales Tax Department, he pointed out that of late the Sales Tax Department of Kerala has been attaching properties mortgaged to the bank causing loss and inconvenience to banks, that too without the knowledge of the bank. The first charge created in favour of the bank should be given due respect.
- Regarding Interest subvention scheme for Short Term Credit under Agriculture, he pointed out that there should be due regard to the cropping pattern in the southern states while extending the facility to eligible farmers. The concept of kharif and rabi should not be blindly followed in the State of Kerala where the seasonality of cropping and cultivation practices are different from that of the other parts of the country.

Sri. K. N. Acharya, Convener, SLBC Kerala informed that the establishment of RSETIs is being discussed from the 95th SLBC. Local Self Government, Government of Kerala and Ministry of Rural Development have had meetings during the month of July. Prior to this meeting RBI had conducted many meetings and has been stressing for establishing RSETIs. Government direction is that each district has to establish one RSETI in respective districts for which preference should be given to the Lead Bank of the district. As per the latest guidelines of establishment of RSETIs, a Sub-Committee of SLBC has been set up called “State Level Steering Committee of SLBC for RSETIs”. A meeting was conducted on 19.08.2009 wherein each district has been allotted for starting RSET

Institutions as per the direction from Government. In all the 14 districts, lands have been identified by the Government and allotment letter will be issued by the Government the way banks want them. NIRD wanted allotment letter from Government and at the same time letter from SLBC saying that particular Lead Bank of the district is allotted a particular district to start RSETI. He requested that the agenda item was included in the meeting for discussion and requested all the members to be present in the plenary session of the meeting wherein SLBC would approve the same. It would help the SLBC Convenor to address letters to the Lead Bank of a particular district to go ahead with establishment of RSETIs.

Sri. N. Narasareddy, General Manager, Canara Bank said that the forum should discuss some of the implications in the Priority Sector Advances especially from the angle of classification. He said that to increase priority sector advances ways and means with innovative approaches are to be adopted. He requested RBI to advise the strategies to be adopted. He then complimented Sri. K. N. Acharya, Convenor, SLBC for being the first SLBC which could send the minutes of the SLBC in local language also.

He requested all groups to deliberate upon the long pending issues and ensure that it is resolved within the time frame. He expressed happiness that the Principal Secretary, SC/ST Development Department, himself has expressed concern about the delay regarding resolving of the pending issues.

The opening session came to a close by 12.30 p.m with **Sri. N. R. Venkataramani**, General Manager, Canara Bank proposing vote of thanks.

GROUP DISCUSSION SESSION

The forum was divided into 3 groups for group discussions on issues related to Primary Sector, Secondary Sector and Tertiary Sector. The session commenced at 1.15 p.m. and extended upto 6.00 pm. The reports of the groups were prepared and presented in the plenary session on 28th August, 2009.

DELIBERATIONS ON 28th AUGUST, 2009

PLENARY SESSION

The plenary session of the State Level Review Meeting of SLBC Kerala commenced at 10.30 a.m. with **Sri. H. S. Upendra Kamath**, Executive Director, Canara Bank in the chair.

Sri. K. N. Acharya, General Manager, Canara Bank and Convener, SLBC Kerala welcomed the participants.

The house then proceeded to consider the agenda items.

1. ADOPTION OF THE MINUTES OF THE PREVIOUS SLBC MEETING

The forum adopted the minutes of the 99th meeting of SLBC, Kerala held on 25th June, 2009, which was forwarded to the members, vide Convener's letter TLB 35 761 2009 RP dated 20.07.2009 without any modification.

Thereafter, the leaders of the groups presented the reports and recommendations of the three groups for consideration and deliberations of the house.

2. Issues For Group Discussion On Primary Sector (Group I)

(**Sri. V Ramanathan**, Lead District Manager, Idukki District, the leader of Group-I presented the report of the group).

2.1. Review Of Performance Under Annual Credit Plan 2008-2009

2.1.1. Bankwise Performance

The Group concurred with the views provided in the agenda background notes.

2.1.2. District wise Performance under Primary Sector

The Group felt that the high level committee headed by Mrs. Usha Thorat, Dy. Governor, RBI, on revamping of Lead Bank Scheme have given more thrust for improvement of the total development of the Districts. Persistent efforts to be taken by all LDMs, particularly of Kannur, Wayanad, Kasargad and Idukki Districts in improving the credit flow to agriculture sector.

The State as a whole had surpassed the target with a comfortable margin, ie 119.28%, which is a commendable achievement. But around 15 Banks have not achieved the target and certain Banks like Andhra Bank, ING Vysya Bank, Allahabad Bank have showed a performance of less than 25% in credit disbursement. The forum suggested that it is the

prime responsibility of all banks to ensure achievement of their DCP target. This is possible by ensuring timely submission of LBR 2 to Lead Bank Office with correct classification of advance. Lead Banks to closely follow up with the defaulting Branches in LBR submission.

(Action: Lead Bank Offices)

2.2. Note on Agriculture Outstanding

As at March 2009, there was a decline of Rs 32 crores under outstanding agriculture advances compared to March 2008. But during the current quarter of this fiscal, there is a positive uptrend and banks have added Rs 509 crores over March 2009 level.

2.2.1. Performance Vs Mandatory Norm

The state has achieved the mandatory norm of 18% under agricultural sector, even though some Banks have registered performance below the mandatory norm. Those Banks who have not achieved should adopt suitable strategies to cross this mandatory level and for this the following suggestions were proposed:

- (i) **Interest subvention for short term credit under Agriculture:** There should be due regard to the cropping pattern in the southern states while extending the facility to eligible farmers. The concept of kharif and rabi should not be blindly followed in the State where the seasonality of cropping and cultivation practice are different from other parts. This subvention facility should be extended to all Banks including private sector Banks.

(Action: SLBC / RBI)

- (ii) **Purchase Loan for Agriculture purpose:** As per the existing guidelines of RBI, for small and marginal farmers, the credit limit fixed is Rs 5 lakhs. This limit, which was introduced some years back, may be reconsidered, having bearing on the increase in the land cost. It may be made need based and condition of Rs 5 lakhs may be waived. This will encourage more disbursement to agricultural sector and will benefit the farming community.

In the deliberations that followed it was decided to recommend for a need based finance. Further it has also been pointed out that the cost of land in Kerala was high so also its availability. Taking into account these aspects and since cost has been fixed long back the forum suggested revising the limits.

While considering the suggestion of the bankers, **Sri. K. R. Parameswaran**, Deputy General Manager, NABARD assured the forum that NABARD would examine the issue and take up the matter with their Head Office requesting to enhance the limit considering the land value of the State of Kerala.

(Action: NABARD)

Sri. N. Narasareddy, General Manager, Canara Bank quoted the Circular of NABARD regarding the acreage norm for treating small and marginal farmers for each district. The definition of Government for small and marginal farmers differs from what has been told by NABARD. Acreage norm for small and marginal farmers has been stipulated by NABARD based on the financing type of land. He requested all members to look into the Circular of NABARD. Banks have to ensure the viability of the land purchased and further, developmental activities have to be financed. The farmer should be able to service both instalment and interest and the type of land should be of good quality and depending on that quantum of loan has to be worked out. There is a need for revision of the limit also. He suggested that a small committee can be constituted which can discuss the broad parameters and changes can be adopted.

Quoting the above suggestion to constitute a sub-committee to decide and analyse the issues involved in the definition of the land acreage and credit limit for enhancement in respect of small and marginal farmers, **Sri. L. M. Ganesan**, Assistant General Manager, RBI informed that high level committee report of the latest Lead Bank scheme also recommended that, there may be specific sub-committees which may be formed in the SLBC and DCC level to decide State/District specific issues. Taking into account the cost of increase in the inputs as well as the land cost and other issues involved, he suggested to constitute a sub-committee to sort out the same.

Sri. H. S. Upendra Kamath, Executive Director, Canara Bank & Chairman of the meeting observed that the First group for Primary Sector had come out with some valid suggestions which would get examined. The issues pertain to the acreage as well as the value caps a sub-committee would be definitely formed. The Convenor of SLBC would be looking to the formation of the Sub-committee as well and the members will get intimated about the formation in course of time.

(Action: SLBC Convenor)

(iii) **Non collateral loans** including that extended to JLG/SHG, etc, may be covered under a special guarantee scheme just like CGTMSE for SME sector.

(Action: SLBC / RBI / NABARD)

2.2.2. Agriculture Advances of KSCARD Bank

No representative from the Cooperative Bank was available to share the reasons for slip in their credit flow to Agriculture. Compared to 2008, it slipped from 39.43% to 33.32% in 2009. The group suggested that they have to report the agricultural lending details to SLBC periodically. Second, RBI to put pressure on the Bank for 100% submission of LBR 2 return, to ensure reporting of full disbursement.

(Action: KSCARD Bank/ Co-operative Department / RBI)

2.3. Enhancing coverage of institutional credit through Kisan Credit Card

To increase KCCS coverage, Krishi Bhavan should take initiative by calling farmers in their area of operation regularly, say quarterly, in coordination with Lead Bank. Lead Bank to ensure that Bank Managers of the area also attend such Meetings, which will lead to more agriculture credit flow through improved KCC coverage. All Branches have to form at least one Farmers Club with the guidance of NABARD.

(Action: Banks / NABARD)

In the deliberations that followed, **Sri. K. R. Parameswaran**, Deputy General Manager, NABARD pointed out that there were lot of inoperative accounts for which a periodical review has to be made so that the KCC accounts become operative.

LDM, Alappuzha suggested that at least all rural branches shall form one farmer's club each. He shared his success story in implementing this in Alappuzha District.

Sri. N. Narasareddy, General Manager, Canara Bank informed that the support given by NABARD has not been fully utilised by banks. Lot of funds have been earmarked by NABARD. Efforts must be made for utilising the available funds. If rural and semi-urban branches approach farmers clubs, the task becomes much easier for educating, creating awareness and transfer of technology. Once the awareness creation and transfer of technology is ensured, the demand for credit also will go up. He made a request that each rural and semi-urban branch must ensure at least one programme during every quarter so as to generate proposals. The credit offtake will be based on technology and the technology being adopted by the farmers at the field level is low. All bank branches should talk to these clubs and activate them. If banks are making best use of farmer clubs, it can enhance their production as well as lending which makes the recovery also possible.

Sri. U. Ramesh Kumar, General Manager, South Malabar Gramin Bank informed that SMGB had got around 200 farmers clubs of which 4 clubs got awards from NABARD for "Best Farmer Clubs" during last year. These farmers clubs help themselves in transfer-technology and the bank is helping them to establish farmers markets. Three such markets have been established in Kerala where the farmers bring their products and do the selling themselves.

He added that under Financial Inclusion Fund, SMGB had submitted a scheme to NABARD and received funds from them. The bank had set up village-knowledge centres. One such centre had already started functioning and it is proposed to start 8 more village knowledge centres. SMGB had got sanction for starting mobile credit counselling centres and farmers technology transfer seminars for which the bank is utilising the fund of NABARD.

2.4. Agro-Clinics and Agri Business Centres

Now the Agricultural graduates, especially in Kerala State, are not coming forward to start AC/ABC ventures, as most of them get absorbed in Government/other jobs. But it is learnt that 45 retired Agricultural graduates have been trained by Kerala Agricultural University, Trivandrum. Banks may consider the applications sponsored by Kerala Agricultural University, in this regard.

Sri. K. R. Parameswaran, Deputy General Manager, NABARD pointed out that the scheme is not picking up for which a study regarding the viability of the project has to be conducted. He added that the scheme should be more viable, only then people would come forward.

(Action: Banks / NABARD)

2.5. Discussion about the infrastructure bottlenecks, if any, and other issues and suggestions to overcome the same.

In certain places especially in high ranges, road /bridges infrastructure to be improved. This will facilitate easy transportation of agricultural products to marketing centres. For this purpose, schemes like RIDF of NABARD may be utilized by the Government.

In Kollam and Pathanamthitta Districts, Bankers find it difficult to extend Agriculture finance under Land Purchase Scheme for small and marginal farmers, where no collateral security is available. The available primary security is not marketable since Government is not effecting mutation on the grounds of Re-Survey since last two years. This bottleneck may be removed by follow up with the Government.

(Action: Revenue Department)

2.5.1. Agenda items suggested by NABARD

2.5.1.1. Rural Infrastructure - Accelerating flow of Ground Level Credit

The Group noted the contents for information.

Sri. H. S. Upendra Kamath, Executive Director, Canara Bank & Chairman of the meeting observed that Rs. 2600 crores have been given by NABARD for various RIDF projects. The intention is that these projects are to establish backward and forward linkages, integrations so that banks are in a position to devise lending programmes around these projects financed by NABARD. The projects are primarily focussing on areas like irrigation, watershed development, roads, schools, healthcare and so on. Now wherever irrigation projects are implemented under RIDF scheme, bankers can evolve schemes to fund the farmers. In case, watershed development programmes, bankers can evolve schemes pertaining to funding to dry land, horticultural related activities, roads, transport operators etc. Any RIDF driven projects on implementation will remain ineffective until

and unless banks to evolve some schemes so as to achieve the purpose for which these schemes are funded and implemented by NABARD.

(Action: Banks)

2.5.1.2. Reduction in interest rate in respect of Investment Credit

NABARD has reduced the interest rate on refinance in respect of investment credit by half percent, i.e., from 9% to 8.5% for Commercial Banks and from 8.5% to 8% for Cooperative Banks and Regional Rural Banks.

The Group noted the contents for information.

2.5.2. Agenda items suggested by the Director of Dairy Development

2.5.2.1. Fodder Development Scheme

2.5.2.2. Milkshed Development Programme

The group suggested that when the Government is formulating the credit linked subsidy schemes like Fodder Development Scheme, Milkshed Development Programme, Bankers may be involved in finalizing the scheme and should be presented in the SLBC before finalization, which will be more effective and result oriented.

To ensure more repayment of loan under Dairy scheme, tie up arrangement of reputed societies like Milma may be considered.

Sri. V. Sasidharan Pillai, Assistant General Manager, State Bank of Travancore pointed out that the problems actually faced in the State of Kerala is the shortage of animals. Every time all these sponsored schemes suggests that we should procure animals from outside state. It was also suggested that there should be a programme simultaneously in place to take care of heifer development which is never happening. We should be in a position to encourage to rear animals here itself. He opined that Dairy Development and banks can join together to achieve this objective by financing heifer rearing programme so as to solve all the problems of dearth of animals in the State.

(Action: Dairy Development Department)

Sri. U. Ramesh Kumar, General Manager, South Malabar Gramin Bank informed that for boosting the dairy lending, SMGB had started a project collaboration with Milma where they had conducted the Investment Seminar in various districts, identified the people and then promoted about 20 dairy venture capital schemes. SMGB had taken the following initiatives. (1) SMGB is in association with Milma. (2) SMGB is accrediting milch animal suppliers from brokers after verifying their credentials. The bank has already identified 100 farmers for whom heifer development scheme is developed. As such, within another 2 years they will be able to supply milch animals for our people.

In the connected discussions that took place, **LDM, Kannur** stated that some of the Departments were submitting the schemes to the bank towards the fag end of the fiscal year stating that the scheme has been finalised during certain meetings. He suggested that, at the time of formulation of the scheme itself bankers should be involved. Dairy Department, Agriculture Department and Fisheries Department were introducing lot of schemes and these are forwarded to banks without the involvement/knowledge of banks. He suggested that such schemes be placed in DCC/DLRC or in SLBC so that it could be brought to the notice of bankers and modalities worked out for smooth implementation.

(Action: Agriculture /Dairy/ Fisheries Department)

2.5.3. Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS) -2008

2.5.3.1. Cut-off date for acceptance of grievances from farmers covered under the scheme

The cut off date for acceptance of grievances from farmers covered under the scheme extended upto 31.01.2010. This information should be widely made known to all farming community by Lead Banks in the entire district through various forums.

(Action: SLBC / Lead Banks)

2.5.3.2. Extension of last date for One Time Settlement under the scheme

The information of extension of last date to 31.12.2009 should be widely made known to all farming community by Lead Banks in all districts through various forums.

Sri. H. S. Upendra Kamath, Executive Director, Canara Bank & Chairman of the meeting observed that cut off date for acceptance of grievances from the farmers covered under the ADWDRS scheme stand extended to 31.01.2010 and the last date for OTS get extended for another six months to 31.12.2009. With a view to popularise this information, he suggested that the Convenor SLBC to release advertisements so that this information gets percolated down the line and similar ways he requested all LDMS/respective banks in the Lead District in the State of Kerala to take this forward and ensure that ample publicity is given to both extension of deadlines.

(Action: SLBC / Banks)

Sri. Upendra Kamath also said that after the implementation of ADWDR scheme, time was given upto 2 years ending 31.03.2010 to bring back all the beneficiaries of this debt relief scheme into the mainstream again. He was sure that each bank has attained different degrees of success level of bringing them back. As the Chairman of SLBC, he urged upon each member of the forum to reach 100 % mark by March 2010, so as to achieve the overall objective of bringing back these beneficiaries in to the mainstream.

(Action: All Banks)

2.5.4. Review of implementation of Package of Relief Measures for the Debt Stressed Farmers of Wayanad, Palakkad & Kasargod districts of the State

2.5.4.1. Progress achieved in claiming interest waiver under Relief Package

The Group noted the progress.

2.5.4.2. Progress in Rescheduling of loans under Relief Package

The Group noted the progress.

2.5.4.3. Fresh loans provided against rescheduled accounts under Relief Package

The Group noted the progress.

2.5.5. Increasing the quantum of agricultural loans to Dairy farmers

Representative of Dairy Development Department was not present to inform the progress in this regard. The Department may submit the details to SLBC.

(Action: Dairy Development Department)

2.5.6. Cattle Insurance

Even though the Insurance Company officials are not present to share their views, the forum recommends that Permanent Total Disability clause (PTD) should be included under master policy.

(Action: Insurance Companies)

2.5.7. Schemes and Activities of National Fisheries Development Board (NFDB)

The representative from Matsyafed informed that the new scheme implemented by Fisheries Department will be made available to the Banks/SLBC shortly. The forum suggested that Fisheries Department should attend the BLBC/DCC/DLRC Meetings and explain the scheme.

(Action: Fisheries Department)

2.5.8. Inclusion of all perennial horticulture crops under the NAIS

The forum suggested that the income generation of the farming community is more from horticulture crops like coconut, pepper, cardamom and rubber. This may be included in the scheme. It is learnt from Agriculture Department that Coconut Development Board has initiated to cover coconut under the scheme. The modalities are in progress.

(Action: Agriculture Department)

2.5.9. Legislation for Lease Land Farming

The forum suggested that the matter may be further pursued with the State Government.

(Action: Revenue/ Law Department / SLBC)

2.5.10. Model law on the lines of the law recommended by the Talwar Committee

The Planning Development official was not available for discussion. This may be further pursued with the Government.

(Action: Department of Planning/ SLBC)

2.5.11. Permission for Agricultural Officers to open Bank accounts

The representative from Agriculture Department informed that no permission from the Government is there for Agricultural Officers to open Bank accounts to keep the subsidy funds. The forum felt that Banks are involved in all the developmental activities of the District, especially Agriculture. All the subsidy schemes of the department may be credit linked so that more farming community who really want finance will get the subsidy assistance, also it will lead to more financial inclusion. Hence decided to pursue the matter further.

(Action: Agriculture Department / SLBC)

2.5.12. Tsunami Rehabilitation Programme of Fisheries Department

The representative of Fisheries Department informed that the project will be closed in October 2009. The forum observed that Planning/Finance Department in future may park the funds with various Banks based on their participation in Tsunami Rehabilitation Programme, instead of keeping it in a single Bank.

(Action: Planning/Finance Department)

2.5.13. Loans sanctioned by Banks for mechanized boats - non-availability of insurance cover due to ban on granting Registration/License by the Department of Fisheries

The representative from Fisheries Department informed the forum that the Government is not granting registration since 2006. It was pointed out that this is applicable only to vessels moving within 22 kms into sea and for bigger vessels going beyond 22 kms, the licensing authority is MPEDA/Port Trust and there is no bar on granting registration/license.

(Action: Fisheries Department)

2.5.14. Agenda Item suggested by the Director of Fisheries.

The forum concurred with the views of the Fisheries Department that the finance under the scheme may be treated at par with agricultural loan.

(Action: Banks)

2.5.15. Coverage of all farmers under the KCC Scheme by 30th September, 2009
(Suggested by NABARD)

The forum is of the view that by covering all farmers under KCCS, the agricultural credit flow will be on a higher side which will lead to higher productivity of the agricultural sector and will increase livelihood of the farmers. All Banks through Farmers Club may cover up the remaining farmers and bring them under KCC scheme.

(Action: Banks)

2.6. Information Note on Primary Sector

2.6.1. Details of Project Pending with Bank for Availing Loan – Note by SFAC

The concerned Banks to expedite processing of the pending proposals on merit and report to SLBC immediately.

(Action: Banks)

2.6.2. Note by Fisheries Department

All Banks may encourage such credit linked subsidy schemes.

(Action: Banks)

2.6.3. Note on Venture Capital Fund by Animal Husbandry Department

It is an ongoing scheme. Propagate the scheme to benefit the farmers through various forums like BLBC/DLRC/Farmers Club, etc.

(Action: Animal Husbandry Department / Banks)

2.7. Others

2.7.1. RIDF

After 31.03.2010, outstanding under RIDF will not form part of Priority Sector Lending. This time limit is to be further extended. This will help the Banks to cross the mandatory level of 18% in agricultural sector.

Sri. R. K. Moria, Deputy General Manager, Reserve Bank of India informed that basically whenever a bank is not able to meet its target towards agriculture those banks parked the funds in RIDF. So this does not form as part of agriculture advance. Originally instructions in this regard were received way back in 2006-07 permitting banks to park 5% to 6% funds in RIDF and was basically to motivate the banks to go for agriculture advance and not just park in RIDF.

2.7.2. Purchase and development of abandoned estate

Common guidelines to be issued for all Banks by NABARD/RBI.

(Action: NABARD / RBI)

After conclusion of the presentation of Group I, **Sri. H. S. Upendra Kamath**, Executive Director, Canara Bank & Chairman of the meeting raised the following points for further discussion.

- It was found that the representatives from the insurance companies are not present in the SLBC meeting, as a result of which vital issues pertaining to the insurance matters could not be discussed in the meeting. He was sure that all banks and financing agencies present in the forum would have their own insurance related issues. He made a request to RBI to explore the possibilities of urging upon the insurance companies to ensure that their representatives are present in the SLBC meeting so that the matters pertaining to insurance could be discussed to the satisfaction of all the financing agencies.

(Action: RBI / SLBC)

- Regarding timely reporting of all the banks through the LBR system, as Convenor of SLBC, it was found that data collection is an extremely challenging thing and most of them are not ensuring data integrity. If the data is not collected correctly, there should be cases wherein a disbursement that has taken place but might not have come in MIS thus reflecting and improper picture. He requested all banks to ensure proper and timely submission of LBR.

(Action: Banks)

- The Export credit given to the agriculturists and the small scale industrial units are no longer considered by RBI as Priority sector advances. Particularly in the State of Kerala, the export credit extended to marine seafood process and exports, now stand declassified from priority sector. He opined that the segment to which finance is extended should derive the classification from the nature as well as the type of advance. He requested RBI to look into the matter since it would have far reaching implications on the ability to achieve the priority sector segmental target. Similarly in respect of Gold Loans given to agriculturists, he requested banks to ensure that it is used for agricultural purpose.

Responding to the above, **Sri. R. K. Moria**, Deputy General Manager, Reserve Bank of India clarified that the matter was earlier taken up based on their findings in Kerala specifically. Accordingly the classification of export advance into agriculture was revised by RBI, Central Office, Mumbai in December 2008. He assured that based on the outcome of the meeting, the matter would again be taken up with their Central Office, Mumbai.

(Action: Reserve Bank of India)

3. Issues For Group Discussion On Secondary Sector & Govt. Sponsored Schemes (Group II)

(Sri. K. R. Jayaprakash, Lead District Manager, Ernakulam District, the leader of Group-II presented the report of the group).

3.1. Performance Of Secondary Sector Under Annual Credit Plan (ACP)

3.1.1. Performance under ACP 2008-2009

The Group observed that some banks have not reported any disbursement during the period. This has resulted in a distorted picture about the performance. We may take up with these Banks and ensure submission of disbursement details promptly in future.

There is a shortfall of 21 % in achieving the target. However, when compared to last year, there is improvement in the amount of advance.

The reasons for non-achievement of target were listed as follows :

- (a) Some Banks are not attending the BLBC/DLRC meetings.
- (b) Some Banks have not reported any disbursement under this Sector.
- (c) Empowered Committee for SME at district level needs to be activated and Members should attend the meeting. SLBC may monitor the functions of the Empowered Committee.
- (d) Managers of RRBs and Co-operative Banks are to be trained on processing of loans to SME Sector.
- (e) There is scope and potential in Districts like Ernakulam, Trichur etc. Lending to MSME in these Districts can be intensified further.
- (f) There are no good proposals.
- (g) It is learnt from DIC Malappuram that 1000 Micro Enterprises will be set up in the District and hence the position may improve.
- (h) There should be good liaison between Banks and DIC for increasing the lending to this Sector.
- (i) As per the revised norms, more activities are brought under SME Sector and proper classification of the accounts will show a better position.
- (j) Wherever potential is there, awareness programmes may be conducted.
- (k) The Group has suggested that finance to Export Oriented Small Units need to be brought back to SME Sector.
- (l) The individual limit of Rs.50,000/- and Group limit of Rs.5 lakhs to SHG may be enhanced to Rs.1 lakh and Rs.10 lakhs respectively.

Sri. K. N. Acharya, General Manager, Canara Bank and Convenor SLBC noted the observations of the group and requested the forum to actively deliberate on the issues. Responding to other issues he clarified that the Empowered committee for SME, is being convened regularly by RBI and had taken a decision that this shall be down lined to district

level also. He requested the forum to discuss the matters of individual limits for SHG as recommended by the Group.

As per the decision of an earlier SLBC, he informed that the statistical split up of SME lending to rural, semi-urban and urban areas could be provided in the background papers. Bankers have to put special attention to the statistical portion and seek ways to improve SME at rural area.

Sri. H. S. Upendra Kamath, Executive Director, Canara Bank & Chairman of the meeting made the following observations.

- Bank officials are to appraise SME credit proposals and arrive at credit decisions with least possible time as per their credit skills. He requested all banks present in the meeting to impart credit skills training to their officials so as to enable them to appraise SME credit requirements. Many of the banks have tailor made programmes for credit appraisal as far as SME sector is concerned. However lack of credit skills at the bottom line will impede credit disposal process to the SME sector in general. He suggested that Banks should have roll out programmes to equip their officers with the credit appraisal skills.
- In SME, cluster based approach has to be made a practice. He quoted the examples of coir in and around Alappuzha, weavers in and around Kannur and fisheries in different parts of the country. Cluster is a schematic approach to be evolved and made a practice.
- He requested all banks to focus more on financing for Micro and Small Enterprises in the rural sector.

3.2. Performance under Outstanding Advances in SME sector

3.2.1. Performance under SME Advances under priority sector

The Group concurred with the review provided in the background papers.

3.2.2. Distribution of advance to SME Sector according to population group:

The comments of the Group are listed below.

- ◆ In rural areas, infrastructural facilities like road, electricity, water etc. are to be improved to attract more industrial units in rural areas.
- ◆ EDP programme may be conducted focusing entrepreneurs from rural areas.
- ◆ Banks should sponsor sufficient candidates from rural areas.
- ◆ Impediments in getting permission/license/NOC from Government Departments may be cleared.
- ◆ State level Empowered Committee for clearance of wood based industries is already in existence. Bankers may kindly note it.

Responding to the aspect of EDP training programmes in the RSETIs, **Sri. H. S. Upendra Kamath**, Chairman of the meeting pointed out that the training programmes were for entrepreneurs developments and the ultimate aim is their settlement. Along with EDPs, credit linkage programmes are to be ensured.

3.3. Performance under Government Sponsored Schemes

3.3.1. Swarna Jayanthi Shahari Rozgar Yojana (SJSRY) - as at March 2009

The comments of the Group are listed below.

- ◆ Involvement of Private Sector Banks is not up to the expected level. One of the reasons may be the higher interest charged by them. Therefore, rationalization of interest rate for all Government Sponsored Schemes should be implemented.
- ◆ Identification of beneficiaries should be proper so as to minimize the level of rejections.
- ◆ New Generation Private Sector Banks are not participating in SLBC, DLRC, BLBC meetings.

Sri. K. N. Acharya, General Manager, Canara Bank and Convenor SLBC suggested that rationalisation of interest rate for all Government Sponsored Schemes needs to be discussed further. The non participation of new Generation Private Sector Banks in SLBC, DLRC and BLBC meetings are to be taken up with respective agencies..

(Action: SLBC)

3.3.1.1. Performance under Swarna Jayanthi Shahari Rozgar Yojana (SJSRY) as at June 2009

The Group noted that Banks have done well in achieving the target. However, Private Sector Banks and RRBs have to step up their lending under this segment. They also observed that applications were given in a bunch at the fag end of the year.

Sri. K. N. Acharya, General Manager, Canara Bank and Convenor SLBC pointed out that applications under SJSRY were received in bunches at the fag end of the year. He suggested that applications are to be forwarded to Banks evenly throughout the year to ensure systematic lending.

(Action: Kudumbashree/Urban Local Bodies)

Regarding SJSRY scheme to RRBs, **Sri. U. Ramesh Kumar**, General Manager, SMGB clarified that RRBs are not implementing SJSRY scheme and not received any applications. He added that they accepted applications only in one Municipality because of some obligations.

Added to this, **Sri. Mukundan T**, Senior Manager, NMGB informed that the RRBs are not implementing agencies for SJSRY scheme and are not getting any proposals under the scheme.

3.3.2. Performance under Swarnajayanthi Gram Swarozgar Yojana (SGSY) - Performance as at March 2009

3.3.2.1. Performance under SGSY as at June 2009

The Group suggested that SGSY applications are to be evenly distributed throughout the year without bunching it.

3.4. Performance under PMEGP Scheme

The observation of the Group is listed below.

- ◆ Applications are to be made available to the Bankers, evenly, throughout the year without keeping it pending till the fag end of the year. Bankers may be advised to dispose applications as per the time schedule prescribed.
- ◆ Whenever applications are cleared by Task Force, Banks should consider such applications.
- ◆ To avoid high level of rejections, Banks may actively participate in the selection procedure.

LDM, Kannur placed certain problems in the implementation of PMEGP. He raised the issue regarding the procedural aspects recently introduced by KVIC in the matter of submission of subsidy claims. He also narrated the difficulties faced by the banks on account of bunching of applications that too without proper project report and preliminary screening. He also expressed difficulties faced by the Task Force Committees in the process of selection of beneficiaries which also comes in bulk to be completed within a day or two.

Representative of **Vijaya Bank** informed the difficulties faced on account of non communication of targets. He expressed difficulties in monitoring the PMEGP scheme effectively. He requested SLBC to look into the matter.

Various LDMs responded to this and it was informed that bank-wise targets have been communicated to respective Controlling Offices.

In conclusion of the discussions, **Sri. K. N. Acharya**, Convenor SLBC suggested that in all the meetings this aspect were discussed by banks. He appealed to the banks to actively participate in the selection process of the beneficiaries and also ensure that the allotted targets are achieved. He also requested the agencies to ensure that the deficiencies pointed out by bankers are overcome in the process of sponsoring of applications.

(Action: Banks/ KVIC, KVI & DIC)

3.5. Performance under Micro-credit

With regard to financing under micro credit, to overcome duplication of membership under SHG, noticed in certain centres, it was suggested that registration of SHGs may be made mandatory.

(Action: Local Body/Panchayat/Kudumbashree)

3.6. Swarozgar Credit Card Scheme

The Group noted that presently RRBs are the major players in SCC. Other banks may also popularize the scheme.

(Action: All Banks)

3.7. Artisans Credit Card Scheme

Reviewing this segment the Group observed that Private Sector Banks have to actively participate in the process of issue of Artisans Credit Cards.

(Action: Private Sector Banks)

3.8. Laghu Udhyami Credit Cards

The Group observed with concern the slow progress in the implementation of the LUCC Scheme.

While analyzing the performance under ACC, SCC and LUCC, **Sri. H. S. Upendra Kamath**, Chairman of the meeting suggested that the performance of banks under these schemes were not up to the expected level and requested all concerned to give more focus for improving the performance.

(Action: All Banks)

3.9. Discussion about bottlenecks in flow of credit, if any, and suggestions for overcoming the same

3.9.1. Margin Money Loan to Entrepreneurs (Suggested by Directorate of Coir Development) &

3.9.2. Agenda item suggested by Coir Board

Group suggested the following :

- ◆ Bankers may actively participate in the Scheme.
- ◆ SLBC may issue a Circular on this Scheme.
- ◆ Awareness Programme may be arranged by Coir Board.
- ◆ The scheme may be discussed in the Steering Committee for implementation involving other Banks also.

Sri. K. N. Acharya, Convenor SLBC clarified that certain banks have signed MoU with Coir Board in respect of implementation of REMOTE scheme which was introduced in the year 2007-08. Canara Bank had signed MoU during July 2008. First batch of beneficiaries numbering 350 was given to Canara Bank. It is a backend subsidy scheme with projects for Rs. 2 lakhs and Rs. 5 lakhs. He informed that a meeting on REMOTE scheme was held in Delhi during March 2009 and another during June 2009 at Ernakulam. The Coir Board had identified around 4000 odd applications which have been distributed and taken for the period 2007-08 and 2008-09. Though the scheme took shape only in November 2008, there may not be any further delay. All banks are aware of REMOTE scheme. He suggested that the applications received should be spread to various banks so as to enable smooth processing of the same. Banks can reduce the grievance from the parties/beneficiaries and at the same time banks will be comfortable doing equal work on all days rather than on the last day of the month.

During the year 2008-09 the scheme has been extended to other banks where there has been an MoU with Coir Board. One issue regarding coverage of SHGs under CGMSE is still not resolved. However the concept of SHG as per banking norm and Ministry of MSME has been little different which has been clarified now. He expressed hopes that by this time Canara Bank branches and clusters at Alappuzha district would have disbursed/sanctioned all the loans well ahead of the target.

Dr. Jossit Kurian, Additional Director of Coir Development informed that the REMOTE scheme is implemented by the Coir Board and as such Coir Directorate was not involved in the selection process. The agenda furnished by the Coir Board reveals that there are many applications pending especially in Alappuzha district, where REMOTE scheme is mainly concentrated due to large number of coir industrial units. He requested bankers to ensure that the applications are disposed of early.

(Action: Banks / Coir Board)

3.9.3. Agenda item suggested by LDM, Kannur

The Group concurred with the recommendations made by LDM, Kannur to the aspect that recovery shall find a place while presenting/reviewing the progress under various should Government Sponsored schemes.

3.9.4. Economic Stimulus Package 2008-2009 on MSME, Housing and Auto Sector – Special Monthly SLBC Meetings

The group suggested that similar review may be made in the district level also.

Sri. K. N. Acharya, Convenor SLBC noted that reviewing the stimulus package at district level would be a good proposition.

(Action: Lead Banks)

3.9.5. Review of Coverage under CGTMSE scheme from Credit Guarantee Fund Trust for Micro And Small Enterprises (CGTMSE)

The Group reviewed the coverage under CGTMSE scheme and observed that bankers are covering loans upto Rs.5 lakhs only under the Scheme. More Units availing higher limits upto Rs.1 crore may be brought under the Scheme and the data on implementation of the Scheme amount-wise may be made available to SLBC.

Sri. H. S. Upendra Kamath, Chairman of the meeting observed that CGTMSE scheme is not made full use of by banks, which has happened not only in Kerala but also across the country. Since there is an immense scope, he requested all bankers to make maximum use of the scheme.

(Action: Banks)

3.9.6. CGTMSE Coverage for loans granted to SHGs

The Group observed that the matter regarding coverage of SHGs under CGTMSE may be pursued with the Development Commissioner (MSME), New Delhi.

Sri. K. N. Acharya, Convenor SLBC informed that the matter has been taken up with the Ministry of MSME and the decision is awaited.

(Action: SLBC)

3.9.7. Review of Multipurpose Service Centres/Job Clubs and KESRU-99 – Self Employment Schemes for registered unemployed youth

The Group was of the opinion that bankers have to consider applications under the Scheme.

(Action: Banks)

3.9.8. PMRY 2006–07 & 2007–08 Non receipt of Subsidy (Suggested by LDM, Thrissur)

LDM, Thrissur informed that in Thrissur district, PMRY subsidy is received for 12 cases for the year 2006-07 and 108 cases in 2007-08 involving 4 banks. He requested the SLBC forum to recommend the matter to RBI to speed up the process of releasing of subsidy. He added that confirmation from the concerned Regional Offices were received that the claims were made in time.

Sri. K. N. Acharya, Convenor SLBC requested RBI to look in to the matter regarding non receipt of subsidy for the PMRY 2006-07 and 2007-08.

Sri. L. M. Ganesan, Assistant General Manager, RBI informed that Kerala Regional Office of RBI is not directly dealing with the matter and it is centralised at Mumbai. He suggested that they would make a reference to their Central Office, Mumbai, if SLBC makes a specific request to them.

(Action: RBI / SLBC)

4. Issues For Group Discussion On Tertiary Sector and Service Area Approach (Group III)

(**Sri. R. Rajagopalan**, Lead District Manager, Thrissur District, the leader of Group-III presented the report of the group).

4.1. Review Of Disbursements to Tertiary Sector under ACP

The Group concurred with the remarks given in the background notes.

4.1.1. Performance Under Tertiary Sector of ACP for 2008-2009

The group expressed satisfaction on the general performance. Kottayam, Ernakulam, Palakkad, Pathanamthitta districts could not reach the target. These 4 districts may take special note not to miss the targets this year.

4.2. Discussion about issues in Tertiary Sector

4.2.1. Agenda items suggested by Reserve Bank of India

4.2.1.1. Violation of Guidelines in respect of SJSRY Scheme

The Group has taken note of the observation with concern. Fixing of repayment of loan is done by the system based on the loan amount that includes subsidy portion also. The Controllers may take note of the same and give suitable instructions for fixing repayment for the net loan component.

(Action: Controlling Offices of Banks)

4.2.1.2. Establishment of RSETI

The Group took note of report of the State Level Steering Committee for RSETIs. They requested that the Government may speed up the allotment of land to the identified banks.

LDM, Thrissur suggested that the minutes of State Level Steering Committee meeting for RSETIs held on 19.08.2009 in Trivandrum is to be deliberated.

Representative of **Syndicate Bank** informed that in Kollam district their proposal for RSETI had already been submitted to NIRD. He requested SLBC to issue approval of this forum to enable proceeding with setting up of RSETIs. He also appealed to the forum to take a decision in respect of Kasaragod District as Andhra Bank has also staked its claim.

Responding to this, **Sri. K. N. Acharya**, Convenor SLBC briefly explained the background of the constitution of State Level Steering Committee for RSETIs and narrated various developments in this aspect.

He informed that the minutes of the meeting of the Steering Committee have been circulated to all the members of the sub-committee. Land allotment has been identified by

the Local Self Government Department of Government of Kerala. He then read out the names of the district and the banks to which the RSET institutions have been allotted. He requested the Chairman of the meeting to approve the same with consensus of the forum.

Name of the District	Name of the Bank
Thiruvananthapuram	Indian Overseas Bank
Kollam	Syndicate Bank
Pathanamthitta	State Bank of Travancore
Alappuzha	State Bank of Travancore
Kottayam	State Bank of Travancore
Idukki	Union Bank of India
Ernakulam	Union Bank of India
Thrissur	Canara Bank
Palakkad	Canara Bank
Malappuram	Canara Bank
Kozhikkode	Canara Bank
Wayanad	State Bank of Travancore
Kannur	Syndicate Bank

Regarding RSETI in Kasaragode District, the claim has been put forth by Andhra Bank who was already having an institute and Syndicate Bank who was the Lead Bank. After much deliberation a consensus could not be achieved.

Sri. H. S. Upendra Kamath, Chairman of the meeting said that the points placed both by Andhra Bank and Syndicate Bank in favour of their respective claims are well taken by SLBC. He then suggested that the issue/dispute will have to be sorted out between the two banks without involving SLBC.

Sri. K. N. Acharya, General Manager, Canara Bank and Convenor SLBC requested Syndicate Bank/Andhra Bank to convene a meeting between them and inform the outcome of the meeting which will be placed before the Sub-Committee of SLBC for RSETIs and/or in the next SLBC.

(Action: Andhra Bank & Syndicate Bank)

Excluding Kasaragode district, the forum approved the allocation of RSETIs as per the list placed before the forum. The forum requested the banks to go ahead with the process of establishment of RSETIs in 13 districts in the State.

(Action: Banks)

4.2.1.3. Priority Sector Advances – Wrong Classification

The Group suggested that all banks in the State shall strictly follow the Master Circular of RBI on Priority Sector Advances.

(Action: All Banks)

4.2.2. Major burglary in Peria Bazaar Branch- North Malabar Gramin Bank
(Suggested by NABARD/LDM, Kannur.)

The Group felt that so long as the banks are following the RBI guidelines on security matters, the banks cannot be made party to the crime. Necessary directions are to be given to the concerned for withdrawal of instructions given to the police authorities. Considering the increased bank robberies, a higher forum including RBI and NABARD may deliberate on the security arrangements in banks.

(Action: RBI / NABARD/ SLBC)

4.2.3. Developing Software by Banks for Lead Bank Returns (Suggested by LDM, Thrissur)

In the light of revamping of Lead Bank Scheme the meeting the Group felt that the item may be dropped. The banks shall ensure accurate generation and timely submission of statistical data.

4.2.4. Recasting LBR1, SAMIS codes and the Software (Suggested by LDM, Thrissur/Kannur)

The Group suggested that the matter may be brought to the notice of RBI and NABARD.

(Action: RBI / NABARD/ SLBC)

4.2.5. Recording Bank Loans in the Ration Cards (Suggested by LDM, Thrissur)

The Group opined that SLBC Convenor may take up the matter with concerned department of Government seeking an order from them permitting banks to record loan details in the 2nd page of the Ration Card Booklet.

(Action: SLBC)

4.2.6. ADWDRS – Withdrawal of Revenue Recovery Measures in benefited cases
(Suggested by LDM, Thrissur)

The Group suggested that SLBC may instruct banks to withdraw Recovery proceedings, be it RR or court proceedings.

(Action: SLBC)

4.2.7. Jansankhya Sthirata Kosh (National Population Stabilization Fund) – JSK

The Group noted the contents.

4.2.8. IT-enabled Financial Inclusion

The LDMs of Kollam, Idukki and Wayanad were requested to apprise the latest position in this regard.

LDM, Kollam informed that DLRC meeting decided to implement the programme in 2 blocks in Kollam and individual banks have been advised to select the vendors. So far vendors have not been identified. Regarding the selection of Business Correspondents, he sought the support of SLBC and RBI in finalising the same.

LDM, Idukki and Wayanad informed that not much progress has been made in this regard.

4.2.9. District-wise Credit Deposit Ratio in the State

The Group noted that a low CD Ratio existed only in Pathanamthitta District. They also observed that a Sub-Committee of DLCC, for improvement of CD Ratio in Pathanamthitta district, is following up the matter. The Group suggested that financing absentee land lords, boosting dairy and allied activities, financing returned NRIs and concentrating on investment credit are the activities that could be considered. They also suggested that an Expert Committee, involving district administration, shall study and recommend ways and means.

(Action: LDM, Pathanamthitta)

4.2.10. Review of Progress under Reverse Mortgage Loan Scheme of National Housing Bank

The Group took note of the progress made in this regard.

4.2.11. ADWDRS – Waiver of RR collection charges

The representative from Revenue Department was not available to present the progress in the matter.

After a brief discussion on various aspects connected with this issue, **Sri. H. S. Upendra Kamath**, Chairman of the meeting requested the concerned department to have a re-look to the issue and provide a decision.

Sri. N. Narasareddy, General Manager, Canara Bank suggested that individual banks can give direction in this regard. Canara Bank has given directions to their branches to withdraw such cases.

Sri. H. S. Upendra Kamath, Chairman of the meeting suggested that individual bank has to take decision whether to withdraw RR cases or not of those borrowers who are beneficiaries under the scheme.

Sri. A. K. Jagannathan, Managing Director, State Bank of Travancore clarified that individual banks can take decision to continue the legal proceedings or not after writing off the account.

Added to this, **LDM, Trivandrum** informed that they have already taken a decision that all banks have to withdraw RR cases where beneficiaries are covered under ADWDRS in Trivandrum district.

(Action: Revenue / Finance Department)

4.2.12. Non acceptance of RR requisitions

The representative from Revenue Department was not available to present the position in the matter.

LDM, Alappuzha informed that this issue was prevalent in Alappuzha and it stands cleared. He informed that there is no issue as such in Alappuzha.

The forum suggested to pursue the matter further in respect of other districts.

(Action: SLBC / Revenue Department)

4.2.13. Computerization of Land Records

As per the opinion of the Group, there is a centrally sponsored scheme namely NLRM system which came into being from this year onwards for computerization of land records. Accordingly the computerization of land records are to be completed within 3 years. The scheme is about to take off in the State and the Group suggested to pursue the matter further.

(Action: Revenue Department/ SLBC)

4.2.14. Waiver of Stamp duty on SHG loans

The Group informed that the Taxes Department is assessing probable revenue loss from various districts to arrive at a final decision.

Sri. H. S. Upendra Kamath, Chairman of the meeting pointed out that fervent appeal have been made by banks in various forums that the stamp duty on the SHG loan documentation needs to be waived so as to enable them to lend more enthusiastically. He expressed hopes that the Department would come out with a favourable decision early.

(Action: Taxes Department /SLBC)

4.2.15. Registration of mortgage created in favour of the banks with Sub-Registrar

4.2.15.1. Registration of Equitable Mortgage with Sub-Registrar (Suggested by Bank of Baroda)

The Group found that this item has been taken care of elsewhere in the recommendation. Therefore the item may be dropped.

4.2.15.2. Registration of mortgage created in favour of the banks (Suggested by Indian Bank)

The Group suggested to follow up the matter further with the Registration/Planning Departments. The present position could not be ascertained as these departments were not present.

Sri. H. S. Upendra Kamath, Chairman of the meeting pointed out that the request was made at various forums. He requested the concerned Government Department to examine the matter and come out with a favourable decision early.

(Action: Registration/Planning Departments)

4.2.16.MN One Lakh Housing Reconstruction Scheme

Representation from Housing Department/Housing Board was not available to ascertain the position regarding the various aspects of the scheme.

Sri. K. N. Acharya, Convenor SLBC pointed out that the scheme does not conform to the norms stipulated by RBI. He requested the concerned departments to clarify the various issues related to the implementation of the scheme.

(Action: Housing Department)

4.2.17.National Mortgage Repository [NMR]

The Group informed that the representative from Revenue Department was not available to ascertain the present position. The matter may be pursued further.

(Action: Revenue Department)

4.2.18.Kerala General Sales Tax Act 1963 & Kerala Sales Tax VAT 2003 – Sale of Gold or other valuable articles pledged with banks in realization of Debt amount – filing of SLP

The Group suggested following up the matter.

(Action: Taxes Department / SLBC)

4.2.19.Guarantees issued by the State Government

The Group clarified that the respective Departments have to put up proposal with Finance Department for getting clearance for settlement.

Responding to this **Sri. H. S. Upendra Kamath**, Chairman of the meeting pointed out that various banks have lent based on the State Government guarantee. It is understood that Government guarantees have been invoked by various banks, but have not reached a logical end so far. Whatever be the constrains, banks have taken decision among others, based on the guarantee of the State Government. He requested the concerned department to examine the matter, so that the credibility based on which we took decisions are in no way impeded.

(Action: Finance / Planning Department)

4.2.20.Revenue Recovery – Tsunami affected Areas

The Group noted that representative from Revenue Department was not present to ascertain the present position. Hence recommended to pursue the matter further.

(Action: Revenue Department)

4.2.21. Amendments suggested in the format for issuing Encumbrance Certificate for landed property issued by Sub-Registrar Office (SRO)

Responding to the suggestion in the agenda, the Inspector General, Registration reported that suitable decision shall be taken only after detailed study. The Group recommended to follow up the matter further.

(Action: Registration Department)

4.2.22. Customer details sought by Commercial Taxes Department - Banker's obligation to observe secrecy of customers' accounts

Representative of Taxes Department has informed that the matter is under processing. Hence the Group recommended to pursue the matter further.

(Action: Taxes Department)

4.2.23. Need for Reduction in Stamp Duty and Registration charges for Registered Memorandum

Representative of Taxes Department has informed that the matter is under processing. The matter may be followed up.

(Action: Taxes Department)

4.2.24. Exemption of surcharge for certificate of sale under SARFAESI Act/Rules 2002

Representative from Revenue Department was not present to ascertain the present position and hence decided to carry forward.

(Action: Revenue Department)

4.2.25. 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

Representative of Taxes Department informed that the matter is under processing and hence decided to carry forward.

(Action: Taxes Department)

4.2.26. Notifying More Centres for Equitable Mortgage

The Group informed that in the meeting held with the Chief Secretary, the Taxes Secretary was advised to prepare a proposal and put up to the Council of Ministers. No further developments are reported. Since there is no revenue loss at any stage the matter may be cleared at the earliest by the Government.

(Action: Planning/ Revenue Department)

4.2.27. Panchayat Level Development Committees for increasing flow of credit

The Group recommended LDMs to submit report on the matter to SLBC.

4.3. Others

4.3.1. First Charge claimed by Sales Tax Department

On the subject issue the Group felt that Banks charge under Equitable Mortgage is not taken as first charge when there are subsequent dues to the Government which jeopardizes the interest of the bank. First charge holder should be given due priority as is prevalent in some other States. Hence recommended to take up the matter with the Department concerned.

(Action: Taxes/Revenue Department)

4.3.2. Mutation of Land Records

In districts like Kollam, Pathanamthitta and Idukki mutation of title is not effected by the Registration Department for want of completion of resurveying process. This causes delay in getting Encumbrance Certificates to the parties and banks. The Group recommended that SLBC may take up the matter with the Registration Department.

(Action: Registration Department)

4.3.3. Long Pending Issues

The Group found that so many long pending items with various Government Departments since 2002 is still left as unresolved. The Group observed that many items could be finalized on a mutual discussion with high level officials from SLBC and Government of Kerala. It hence suggested constitution of such a high power committee headed by the Chief Secretary to sort out the issues.

(Action: SLBC)

5. Review Of Priority Sector Advances As At June 2009

5.1. Performance versus National goals

5.2. Priority Sector and Agriculture Advances

5.3. Advances to Weaker Section

The forum reviewed the performance of the banking sector of the state and appealed to those banks, which had not achieved the mandatory norms to give focused attention for improvement in the performance.

5.4. Advances to SC/STs

Sri. P. Ramasamy, Assistant Director, National Commission for SC pointed out that one of the objectives of SLRM is to review progress of the Government Sponsored schemes and programmes specifically performance under SC/STs. Unfortunately the achievement of SC/ST advances is not discussed in the two days proceedings.

Reverting to this remark, **Sri. K. N. Acharya**, Convenor SLBC pointed out that the statistical details are mentioned as to percentage of SC/ST advances of the State, contributed by public sector banks, private sector banks, KSCARD Bank and also number of beneficiaries under SC/ST. Private sector banks have to give more attention towards fund rendering to the vulnerable section of the society.

Sri. P. Ramasamy, Assistant Director, National Commission for SC suggested that rather than comparison between the target and achievement, the meeting has to make a scientific analysis as to whether the desired results are achieved. More over he also suggested to present the segregated figures of finance extended to SC and ST separately.

The meeting noted the same.

5.5. Credit Flow to Minority Communities

5.6. DRI Advances

The forum noted the performance of credit flow to minority communities and DRI advances for the banking sector in the State.

6. Review of Performance of the Banking Sector

The meeting went through the review of performance under various sectors and suggested that if any observations were to be made, that could be referred to SLBC.

Sri. K. N. Acharya, Convenor SLBC expressed happiness over the participation of the representative of the Finance Ministry, Government of India. He then requested Dr. Tarsem Chand, Deputy Secretary, Department of Financial Services, Government of India to deliver his remarks.

In his remarks, **Dr. Tarsem Chand**, Deputy Secretary to Government of India, Ministry of Finance, Department of Financial Services, New Delhi informed that Government of India has attributed utmost importance to SLBC as it is a very important mechanism binding Government of India, State Government and Bankers. In States where RBI and NABARD are represented, it helps to forge ahead with the progress and achievement in banking growth of the State. He informed that the department is keenly observing the gist of the discussions in the various States and is following up the same. They have been stressing the need for high level participation from State Governments so as to sort out the pending issues. He observed that if senior official level participation from the Government of Kerala was available, the pending issues since 2002 could have been resolved by now. Government of India dedicated the website which monitors the important decisions taken by SLBCs viz. financial inclusion, other important priority sector advances etc. He then highlighted the following points which he observed in the course of the deliberations.

- CD Ratio of the State had slightly come down which require more attention of banks. Although it is above benchmark level of 60%, concerted action is required to improve the same.
- Under agriculture, only Canara Bank, Indian Overseas Bank and Dhanalakshmi Bank had achieved the mandatory norm of 18% and requested other banks to take necessary action to achieve the same.
- Under SME there is a decline of Rs. 198 crores from March 2009 to June 2009. This he attributed may be due to the late submission of statements.
- Growth rate in domestic deposits has come down by 19% and growth in advances has come down by 10.55%. Total agriculture advances also showed a decline to Rs. 32 crores over the previous year.

- He suggested that the group reports shall cover the position of recoveries under Government Sponsored schemes and NPAs.
- Government have given strong emphasis for improving the advances to SC/STs, DRI, women beneficiaries and weaker sections. The position requires close monitoring.
- Progress in financial inclusion may also be monitored for the purpose of ensuring that account holder continues to operate their accounts.
- SLBC mechanism can be made a success with the co-operation from State Government Departments, Banks, RBI, NABARD and Government of India.
- State Government may depute senior level functionaries of the State in the SLBC meeting so as to enable to thrash out the issues.
- Thrust can be given for training and capacity building of the weaker sections by the Branch Managers in the field.

In conclusion, Dr. Tarsem Chand stated that all the banks have enthusiastically participated in the discussions and he was impressed by the level of participation, although it was deficient from the State Government side. The meeting was successfully conducted by the Chairman of the meeting for which he specifically congratulated him.

In the brief session that followed, following aspects were discussed.

Flow of credit to Agriculture and priority sector advances were impacted due to lack of rain fall as well as drought affected area, representative of **Syndicate Bank** sought clarification whether Government of India had declared any district as drought affected.

Responding to this, **Sri. Ramakrishnan K. K**, Additional Director, Agriculture informed that due to the climatic condition during the year there was deficit rainfall in Trivandrum, Kollam, Pathanamthitta, Kollam and Wayanad districts in Kerala. Even though the rainfall was deficit from 23.05.2009 and there was severe drought, Government of Kerala have represented to Government of India to declare these 5 districts as moderately drought affected. He clarified that the above districts were not included in the 176 districts declared as drought hit districts by Government of India.

Sri. N. Narasareddy, General Manager, Canara Bank stated that as per the RBI Circular on natural calamities, DCC of each district has to decide all these kind of things and bank has to guide as per RBI guidelines in dealing with natural calamities.

Regarding Education Loans, **LDM, Kannur** informed that LDMS offices have been gheraoed by some political parties. He requested SLBC to issue strict instruction that uniform policy can be followed by all banks because every bank is pursuing their own guidelines for implementation of Education Loan. In Kannur district, he found it difficult to answer the questions raised by MLAs regarding Education Loan sanctioned by different banks. He requested SLBC to come out with some common guidelines for Education Loans in the State which can be implemented by all banks.

LDM, Pathanamthitta pointed out that some of the banks have high exposures in Education Loans and some have very low outstanding under Education Loan. Some policy guidelines may be issued so as to have uniformity in distribution of applications.

LDM, Kottayam informed that when more bank branches are there in one place, Education Loan seekers are being pushed to the next bank under one pretext or other. The matter was discussed seriously in BLBC wherein people's representatives and MLAs wanted to present the matter in the SLBC for discussion. Similarly quantum of advances also varies from bank to bank. As these things were creating very serious problems, he requested SLBC to come out with some clear cut guidelines for Education Loans.

Responding to the above, **Sri. K. N. Acharya**, Convenor SLBC informed that discussion on Education Loan has been done quite frequently. He clarified that all banks have to strictly adhere to the IBA guidelines on Education Loan and nothing probably is needed to be done at SLBC level as of now.

Sri. H. S. Upendra Kamath, Chairman of the meeting clarified that IBA has come out with model Education Loan Scheme which was followed by all banks in the country. There were some specific issues and difference of opinion regarding certain courses, quantum of fee etc in this State. These issues stands escalated to IBA and it is expected that some sort of finality would be arrived at shortly. As per the information, IBA had sought opinion from Head Offices of few leading banks and once that feedback goes to IBA, some modifications were expected. He appealed to bankers that Education Loan scheme is mainly intended to serve the needy. He requested the members to wait till IBA clarifies the issues and would be getting instruction from their respective Head Offices.

Supplementing the above, **Sri. A. K. Jagannathan**, Managing Director, State Bank of Travancore informed that IBA has come out with clarifications in response to the issues taken up by the Government of Kerala. He then read the last paragraph of the IBA letter that – *Accordingly it was decided to revise the operative part of the IBA circular dated 27.09.2008 that – Teacher Training Course/Nursing Course/B.Ed. will be eligible for Education Loan provided the training institutions are approved either by the Central Government or by the State Government and such courses should lead to Degree or Diploma Course and not to Certification course. The fees to be considered for the purpose should be the fees structure as approved by the State Government or a Government approved Regulatory Body for merit seats in Government Colleges/Private Self Financing Colleges, Co-operative and Colleges run by Universities, as the case may be.*

Before concluding the meeting, **Sri. A. K. Jagannathan**, Managing Director, State Bank of Travancore and **Sri. L. M. Ganesan**, Assistant General Manager, RBI and representatives from various banks placed on record the yeoman service rendered by Sri. K. N. Acharya, General Manager, Canara Bank and Convenor SLBC. The forum wished him a happy, prosperous and healthy post retired life. In reply Sri. K. N. Acharya extended thanks to all the members for the compliments and co-operation given to him.

The plenary session concluded by 1.30 p.m with **Sri. N. R. Venkataramani**, General Manager, Canara Bank proposing vote of thanks.

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PARTICIPANTS ON 27.08.2009 – OPENING SESSION

CHAIRMAN OF THE MEETING

Sri. H. S. Upendra Kamath

Executive Director, Canara Bank

GOVERNMENT OF KERALA/DEVELOPMENTAL AGENCIES

1. Sri. Paul Antony, IAS
Principal Secretary, SC/ST Development Department
2. Sri. Anil X, IAS
Director, CPMU, Planning Department
3. Sri. Girees Kumar M
Additional Secretary, Finance Department
4. Sri. Ramakrishnan K. K
Additional Director, Agriculture Department
5. Sri. Sam C. Ittycheria
Additional Director, Industries & Commerce
6. Dr. Jossit Kurian
Additional Director, Directorate of Coir Development
7. Sri. S. Dinesh
Additional Development Commissioner, Rural Development
8. Sri. N. Vadivel Murugan
Joint Secretary, Taxes Department
9. Sri. Crimon Wester
Deputy Secretary, Higher Education Department
10. Sri. K. Rajendran
Deputy Director, National Commission for SC
11. Dr. L. Ravikumar
Deputy Director, Animal Husbandry Department
12. Sri. A. K. Ramakrishnan
IG, Department of Registration
13. Sri. M. K. Rajendran
Director, KVIB
14. Sri. Sunil Kumar A. M.
Managing Director, SFAC
15. Sri. K. Viswanathan
Deputy Director, Directorate of Employment
16. Sri. Kunhi Mohammed K. T
Director, Kudumbashree
17. Smt. S. Ambika Kumari
JR/Credit Specialist, Agriculture (PPM Cell)
18. Sri. P. P. Vasudevan
Chairman, Kerala Urban Banks Federation
19. Dr. N. K. S. Pillai
Team Leader, Department of Fisheries
20. Sri. V. Rajendran
Economic Officer, KVIC
21. Sri. V. Sreekumaran Niar
CPD, SC Development Department
22. Sri. K. S. Rajeev
Assistant General Manager, Kerala Financial Corporation
23. Sri. V. R. Vinod
Assistant Director, MSME Development Institute
24. Sri. V. Chacko
General Manager, KINFRA
25. Sri. E. Erani
GMF, SIDCO
26. Sri. P. P. Surendran
Deputy General Manager, Matsyafed

RESERVE BANK OF INDIA

1. Sri. S. Ramaswamy
Regional Director
2. Sri. R. K. Moria
Deputy General Manager
3. Sri. K. D. Joseph
Assistant General Manager
4. Sri. L. M. Ganesan
Assistant General Manager
5. Sri. D. Asainathan
Assistant General Manager
6. Sri. Suraj S.
Research Officer

NABARD

1. Sri. K. C. Shashidhar
Chief General Manager
2. Sri. S. N. A. Jinnah
General Manager
3. Smt. Rohini Varma
Assistant General Manager

STATE BANK GROUP

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|------------------------------|---|
| 1. Sri. A. K. Jagannathan | Managing Director, State Bank of Travancore |
| 2. Sri. M. C. Jacob | General Manager, State Bank of Hyderabad |
| 3. Sri. Samuel Ganesan | Deputy General Manager, SBI |
| 4. Sri. V. Sasidharan Pillai | Assistant General Manager, SBT |
| 5. Sri. P. S. Rajamohan Nair | Chief Manager, SBT |
| 6. Sri. B. M. Chandrakanth | Branch Manager, SBM |

PUBLIC SECTOR BANKS

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|---------------------------------|---|
| 1. Sri. Xavier Thomas | Deputy General Manager, Indian Overseas Bank |
| 2. Sri. V. I. Mathew | Deputy General Manager, Union Bank of India |
| 3. Sri. Kurian P. Abraham | Deputy General Manager, Corporation Bank |
| 4. Sri. N. Devadas | Deputy General Manager, Vijaya Bank |
| 5. Sri. C. P. Balachandran Nair | Regional Manager, Syndicate Bank |
| 6. Sri. R. Somanathan Niar | Regional Manager, Central Bank of India |
| 7. Sri. P. J. Jacob | Assistant General Manager, Indian Bank |
| 8. Sri. C. Balachandran | Assistant General Manager, United Bank of India |
| 9. Sri. T. A. Sreenivasa Rao | Assistant General Manager, UCO Bank |
| 10. Sri. J. M. Nair | Chief Manager, Bank of India |
| 11. Sri. V. M. Sundareswaran | Chief Manager, Oriental Bank of Commerce |
| 12. Sri. C. M. Raman | Senior Manager, Punjab National Bank |
| 13. Sri. P. Balasundaran | Senior Manager, Indian Overseas Bank |
| 14. Sri. Babu Venkatesan | Senior Manager, Dena Bank |
| 15. Sri. Sebastian Thomas | Senior Branch Manager, Andhra Bank |
| 16. Sri. K. C. Joseph | Manager, United Bank of India |
| 17. Sri. N. S. Subramanian | DCO, Central Bank of India |

CONVENOR BANK (CANARA BANK)

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|-----------------------------|--|
| 1. Sri. K. N. Acharya | General Manager (Convener, SLBC, Kerala) |
| 2. Sri. N. R. Venkataramani | General Manager |
| 3. Sri. N. Narasareddy | General Manager |
| 4. Sri. Anil Kumar P | Divisional Manager |
| 5. Sri. A. P. R. N. Swamy | Manager |
| 6. Sri. K. Mohanan | Manager |
| 7. Sri. K. R. Arun Kumar | Manager |
| 8. Sri. R. Padmanabhan | Officer |

REGIONAL RURAL BANKS

- | | |
|---------------------------|-----------------------|
| 1. Sri. G. Pandurangan | Chairman, SMGB |
| 2. Sri. V. Sriramaprakash | Chairman, NMGB |
| 3. Sri. U. Ramesh Kumar | General Manager, SMGB |
| 4. Sri. P. Aravindan | Senior Manager, SMGB |
| 5. Sri. T. Mukundan | Senior Manager, NMGB |

PRIVATE SECTOR BANKS

- | | |
|---------------------------|---|
| 1. Sri. V. Damodaran | General Manager, Federal Bank |
| 2. Sri. John Thomas | Deputy General Manager, South Indian Bank |
| 3. Sri. P. Manikandan | Deputy General Manager, Dhanalakshmi Bank |
| 4. Sri. Vijay Pillai | Regional Head, ICICI Bank |
| 5. Sri. A. J. Joseph | Assistant General Manager, Catholic Syrian Bank |
| 6. Sri. R. Kamalasekaran | Assistant General Manager, Lakshmi Vilas Bank |
| 7. Sri. P. S. Nandakumar | Deputy Vice President, HDFC Bank |
| 8. Sri. Jayakumar K | Chief Manager, City Union Bank |
| 9. Sri. Ajith Kumar C. H. | Senior Manager, Federal Bank |
| 10. Sri. Tamilalagan | Senior Manager, Tamilnad Mercantile Bank |
| 11. Sri. P. K. Ambi | Senior Manager, Karur Vysya Bank |
| 12. Sri. K. Varadharajan | Credit Relationship Manager, ICICI Bank |
| 13. Smt. Arya Sudhakaran | Regional Manager, ING Vysya Bank |
| 14. Sri. M. Praveen Kumar | Branch Manager, Karnataka Bank |
| 15. Sri. Paul Ben Abraham | Manager and Cluster Head, Axis Bank |

CO-OPERATIVE BANKS

- | | |
|-------------------------|--|
| 1. Sri. R. Aravindakhan | Deputy General Manager, Kerala State Co-operative Bank |
|-------------------------|--|

LEAD BANK OFFICES

- | | |
|------------------------------|---|
| 1. Sri. V. R. Muralidhar | LDM, Indian Overseas Bank, Trivandrum |
| 2. Sri. M. Surendran Pillai | LDM, Indian Bank, Kollam |
| 3. Sri. S. Sudharman | LDM, SBT, Pathanamthitta |
| 4. Sri. V. Anil Kumar | LDM, SBT, Alappuzha |
| 5. Sri. R. Prabhakaran | LDM, SBT, Kottayam |
| 6. Sri. V. Ramanathan | LDM, Union Bank of India, Idukki |
| 7. Sri. K. R. Jayaprakash | LDM, Union Bank of India, Ernakulam |
| 8. Sri. R. Rajagopalan | LDM, Canara Bank, Thrissur |
| 9. Sri. P. Unnikrishnan | LDM, Canara Bank, Malappuram |
| 10. Sri. J. R. Anilkumar | LDM, Canara Bank, Kozhikode |
| 11. Sri. K. Balan | LDM, Canara Bank, Wayanad |
| 12. Sri. C. K. Thulasidharan | LDM, Syndicate Bank, Kannur |
| 13. Sri. K. T. Shivadasa | LDM, Syndicate Bank, Kasaragod |
| 14. Sri. M. Krishnan | Manager, Lead Bank, Canara Bank, Palakkad |

PARTICIPANTS FOR GROUP DISCUSSION SESSION

GROUP I

1. Sri. V. Ramanathan LDM, Union Bank of India, Idukki (Group Leader)
2. Sri. Ajith Kumar C. H. Senior Manager, Federal Bank
3. Sri. K. R. Arun Kumar Manager, Canara Bank
4. Dr. L. Ravikumar Deputy Director, Animal Husbandry Department
5. Sri. C. K. Thulasidharan LDM, Syndicate Bank, Kannur
6. Dr. Venugopal Arikери Assistant General Manager, NABARD
7. Sri. P. S. Rajamohan Nair Chief Manager, SBT
8. Sri. John Thomas Deputy General Manager, South Indian Bank
9. Sri. P. P. Surendran Deputy General Manager, Matsyafed
10. Sri. Ramakrishnan K. K. Additional Director, Agriculture Department
11. Dr. N. K. S. Pillai Team Leader, Department of Fisheries
12. Sri. K. D. Joseph Assistant General Manager
13. Sri. P. Manikandan Deputy General Manager, Dhanalakshmi Bank
14. Sri. P. Balasundaran Senior Manager, Indian Overseas Bank
15. Sri. K. Balan LDM, Canara Bank, Wayanad
16. Sri. K. T. Shivadasa LDM, Syndicate Bank, Kasaragod
17. Sri. J. M. Nair Chief Manager, Bank of India
18. Smt. S. Ambika Kumari JR/Credit Specialist, Agriculture (PPM Cell)
19. Sri. T. Mukundan Senior Manager, NMGB
20. Sri. C. M. Raman Senior Manager, Punjab National Bank
21. Sri. R. Kamalasekaran Assistant General Manager, Lakshmi Vilas Bank

GROUP II

1. Sri. K. R. Jayaprakash LDM, Union Bank of India, Ernakulam (Group Leader)
2. Sri. Sumit Kumar Manager, Canara Bank
3. Sri. V. R. Vinod Assistant Director, MSME Development Institute
4. Sri. V. S. Kurup Senior Manager, UCO Bank
5. Sri. S. Dinesh Additional Development Commissioner, Rural Development
6. Sri. Sriharidas Assistant General Manager, NABARD
7. Sri. B. M. Chandrakanth Branch Manager, SBM
8. Sri. Tamilalagan Senior Manager, Tamilnad Mercantile Bank
9. Sri. M. Krishnan Manager, Lead Bank, Canara Bank, Palakkad
10. Sri. K. S. Rajeev Assistant General Manager, Kerala Financial Corporation
11. Sri. P. J. Jacob Assistant General Manager, Indian Bank
12. Sri. V. M. Sundareswaran Chief Manager, Oriental Bank of Commerce
13. Sri. Jayakumar K Chief Manager, City Union Bank
14. Dr. Jossit Kurian Additional Director, Directorate of Coir Development
15. Sri. V. Anil Kumar LDM, SBT, Alappuzha
16. Sri. D. Asainathan Assistant General Manager, RBI
17. Sri. Babu Venkatesan Senior Manager, Dena Bank
18. Sri. Sam C. Ittycheria Additional Director, Industries & Commerce
19. Sri. P. Unnikrishnan LDM, Canara Bank, Malappuram
20. Sri. K. Varadharajan Credit Relationship Manager, ICICI Bank
21. Sri. P. Aravindan Senior Manager, SMGB
22. Sri. P. Ramasamy Assistant Director, National Commission for SC
23. Sri. Rajathakumar Assistant General Manager, SBI

GROUP III

- | | |
|------------------------------|--|
| 1. Sri. R. Rajagopalan | LDM, Canara Bank, Thrissur (Group Leader) |
| 2. Sri. M. Narayana Naik | Manager, Syndicate Bank |
| 3. Sri. K. Ravindra Ballal | Senior Manager, Vijaya Bank |
| 4. Sri. V. Sreekumaran Nair | Chief, Planning Office, SC Development Dept. |
| 5. Sri. N. Sanal Kumar | Manager, Corporation Bank |
| 6. Sri. P. K. Mohandas | Chief Manager, SBI |
| 7. Sri. Girees Kumar M | Additional Secretary, Finance Department |
| 8. Sri. N. Vadivel Murugan | Joint Secretary, Taxes Department |
| 9. Sri. Suraj S. | Research Officer, RBI |
| 10. Smt. Rohini Varma | Assistant General Manager, NABARD |
| 11. Sri. Sebastian Thomas | Senior Branch Manager, Andhra Bank |
| 12. Sri. N. S. Subramanian | DCO, Central Bank of India |
| 13. Sri. A. J. Joseph | Assistant General Manager, Catholic Syrian Bank |
| 14. Sri. P. S. Nandakumar | Deputy Vice President, HDFC Bank |
| 15. Smt. Arya Sudhakaran | Regional Manager, ING Vysya Bank |
| 16. Sri. Paul Ben Abraham | Manager and Cluster Head, Axis Bank |
| 17. Sri. R. Aravindakhan | Deputy General Manager, Kerala State Co-operative Bank |
| 18. Sri. V. R. Muralidhar | LDM, Indian Overseas Bank, Trivandrum |
| 19. Sri. M. Surendran Pillai | LDM, Indian Bank, Kollam |
| 20. Sri. S. Sudharman | LDM, SBT, Pathanamthitta |
| 21. Sri. R. Prabhakaran | LDM, SBT, Kottayam |
| 22. Sri. J. R. Anilkumar | LDM, Canara Bank, Kozhikode |

PARTICIPANTS ON 28.08.2009 – PLENARY SESSION

CHAIRMAN OF THE MEETING

Sri. H. S. Upendra Kamath

Executive Director, Canara Bank

GOVERNMENT OF INDIA/GOVT. OF KERALA/DEVELOPMENTAL AGENCIES

- | | |
|---------------------------|---|
| 1. Dr. Tarsem Chand | Dy.Secretary, Ministry of Fin., Dept. of financial Services |
| 2. Sri. Ramakrishnan K. K | Additional Director, Agriculture Department |
| 3. Sri. Sam C. Ittycheria | Additional Director, Industries & Commerce |
| 4. Dr. Jossit Kurian | Additional Director, Directorate of Coir Development |
| 5. Sri. S. Dinesh | Additional Development Commissioner, Rural Development |
| 6. Sri. K. Soman | Deputy Secretary, Planning Department |
| 7. Dr. L. Ravikumar | Deputy Director, Animal Husbandry Department |
| 8. Sri. P. Ramasamy | Assistant Director, National Commission for SC |
| 9. Sri. M. K. Rajendran | Director, KVIB |
| 10. Smt. S. Ambika Kumari | JR/Credit Specialist, Agriculture (PPM Cell) |
| 11. Sri. K. S. Rajeev | Assistant General Manager, Kerala Financial Corporation |
| 12. Sri. V. R. Vinod | Assistant Director, MSME Development Institute |
| 13. Sri. P. P. Surendran | Deputy General Manager, Matsyafed |
| 14. Sri. S. Syamsankar | Project Executive, KSIDC Ltd. |

RESERVE BANK OF INDIA

- | | |
|-----------------------|---------------------------|
| 1. Sri. R. K. Moria | Deputy General Manager |
| 2. Sri. K. D. Joseph | Assistant General Manager |
| 3. Sri. L. M. Ganesan | Assistant General Manager |
| 4. Sri. P. Ravindran | Assistant General Manager |
| 5. Sri. D. Asainathan | Assistant General Manager |
| 6. Sri. Suraj S. | Research Officer |

NABARD

- | | |
|----------------------------|------------------------|
| 1. Sri. K. C. Shashidhar | Chief General Manager |
| 2. Sri. K. R. Parameswaran | Deputy General Manager |

STATE BANK GROUP

- | | |
|------------------------------|---|
| 1. Sri. A. K. Jagannathan | Managing Director, State Bank of Travancore |
| 2. Sri. Samuel Ganesan | Deputy General Manager, SBI |
| 3. Sri. V. Sasidharan Pillai | Assistant General Manager, SBT |
| 4. Sri. P. A. Mohandas | Chief Manager, SBI |
| 5. Sri. K. C. S. Menon | Chief Manager, SBI |
| 6. Sri. P. S. Rajamohan Nair | Chief Manager, SBT |
| 7. Sri. B. M. Chandrakanth | Branch Manager, SBM |

PUBLIC SECTOR BANKS

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|-----------------------------|--|
| 1. Sri. Xavier Thomas | Deputy General Manager, Indian Overseas Bank |
| 2. Sri. V. I. Mathew | Deputy General Manager, Union Bank of India |
| 3. Dr. Kurian P. Abraham | Deputy General Manager, Corporation Bank |
| 4. Sri. R. Somanathan Niar | Regional Manager, Central Bank of India |
| 5. Sri. J. M. Nair | Chief Manager, Bank of India |
| 6. Sri. V. M. Sundareswaran | Chief Manager, Oriental Bank of Commerce |
| 7. Sri. C. M. Raman | Senior Manager, Punjab National Bank |
| 8. Sri. P. Balasundaran | Senior Manager, Indian Overseas Bank |
| 9. Sri. K. Ravindra Ballal | Senior Manager, Vijaya Bank |
| 10. Sri. Babu Venkatesan | Senior Manager, Dena Bank |
| 11. Sri. V. S. Kurup | Senior Manager, UCO Bank |
| 12. Sri. Sebastian Thomas | Senior Branch Manager, Andhra Bank |
| 13. Sri. M. Narayana Naik | Manager, Syndicate Bank |
| 14. Sri. V. R. G. Nair | Branch Manager, Bank of Maharashtra |
| 15. Sri. N. S. Subramanian | DCO, Central Bank of India |

CONVENOR BANK (CANARA BANK)

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|-----------------------------|--|
| 1. Sri. K. N. Acharya | General Manager (Convener, SLBC, Kerala) |
| 2. Sri. N. R. Venkataramani | General Manager |
| 3. Sri. N. Narasareddy | General Manager |
| 4. Sri. Anil Kumar P | Divisional Manager |
| 5. Sri. A. P. R. N. Swamy | Manager |
| 6. Sri. K. Mohanan | Manager |

