

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

Convenor:

केनरा बैंक



Canara Bank

Ref: SLBC/142/Minutes/52/AJS

30/03/2024

(All Members of SLBC)

Dear Sir,


**Sub: Minutes of the 142<sup>nd</sup> Meeting of SLBC, Kerala**

We are forwarding herewith the minutes of the 142<sup>nd</sup> Meeting of SLBC, Kerala held on 21<sup>st</sup> March 2024 at Hotel Residency Tower, Thiruvananthapuram.

Developments on action points initiated/to be initiated at your end may please be intimated to us so as to apprise the next meeting of SLBC, Kerala

Thanking you,

Yours faithfully,

  
**S Premkumar**  
**Convenor, SLBC Kerala**  
**& General Manager, Canara Bank**

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**MINUTES OF THE 142<sup>nd</sup> SLBC MEETING FOR DECEMBER 2023 OF  
STATE LEVEL BANKERS' COMMITTEE, KERALA  
Held on 21.03.2024 (Thursday) at Hotel Residency Tower, Trivandrum**

The SLBC meeting commenced at 10.30am. The List of participants is as per annexure.

**Sri. S. Premkumar, Convenor, SLBC& General Manager, Canara Bank** welcomed the dignitaries and participants to the 142<sup>nd</sup> SLBC Meeting for December 2023 of SLBC Kerala and touched upon the following:

- The State retained the award for best performer, for the sixth year consecutively, in the implementation of the National Urban Livelihoods Mission. According to the India Skill Report 2024, Kerala's youth aged 18 to 21 are the second most employable in the country, with Trivandrum, Ernakulam, and Kozhikode ranking among the top ten cities for talent.
- The banking sector in the State has achieved good progress under all fronts during last year including Deposits, Advances and CD Ratio. Deposits of commercial banks in the State grew by 14% Year on Year, to reach Rs.7.70 Lakh Crores. Advances of commercial banks have grown by 19% during last one year to reach Rs.5.58 Lakh Crores.

**Highlights of this quarter**

- Y-o-Y Total Business of Commercial banks in the State increased by 14 %.
- Y-o-Y Priority sector advances increased by 13 %.
- Y-o-Y Agricultural advances increased by 20%.
- MSME advances shows a Y-o-Y growth of 14%
- CD ratio has increased marginally to 73.62% during the last quarter.
- Percentage achievement under ACP in Priority Sector till December 2023 is 63% of the Annual budget. The performance under primary sector at 65% and the secondary Sector performance at 98% are comparatively satisfactory; the tertiary sector shows only 19 % growth needs improvement.

By these words, Convenor, SLBC Kerala welcomed all the participants to the meeting.

**Smt. Sarada Muraleedharan, Additional Chief Secretary, Planning and Economic Affairs, Government of Kerala** in her speech addressed the following:

- Election is the time when Government Departments and Banks have time to introspect and strategize themselves.
- The State of Kerala is going through tough times and Government is hoping to find alternate ways and means for income generation and it would be interesting to find out how the banking sector can also chip in.
- The start up ecosystem is one of the best in the country, the MSME ecosystem and the women entrepreneurs are the strength of our state and credit also to be disbursed to these sector to further strengthen them.
- Kerala is the most urbanized state in the country. Our state is truly a topper in internet penetration, road access, commercial activities. So we should think on the lines how a urban economy should be performing.
- Kerala was the first aging society in the country and also our longevity tops the charts in the country. This points to a productive population ageing to a senior citizen population. We should seriously think whether the existing schemes are capable to bring the full potential of the ageing population to its maximum potential.
- Climate resilience is something the state of Kerala is contending with far greater seriousness. Our Agriculture Department as well as the LSGD has been taking up projects of climate resilience. Banks also should have a vision for green financing.
- Alternate source of funding projects like Municipal bonds, value capture financing are being sought by the State Government and banks of the state also should think of how they can also be a beneficial player in these. It is interesting to note that the first Municipal Bond in the country came from Calicut Municipality.
- Additional Chief Secretary also requested the banks to promote BDS without any complaints. Several Banks are asking for collateral security even after pronote is provided from the Government side.

**Shri. Thomas Mathew ,Regional Director, Reserve Bank of India** in his speech addressed the following:

- The Indian economy has been performing remarkably well in the recent years. India's potential growth is propelled by the improving physical infrastructure, development of world class digital and payments technology, and improved quality of fiscal spending. The proactive and calibrated policies of RBI on the monetary, regulatory and supervisory fronts have worked well to maintain and strengthen macroeconomic and financial stability.
- The Monetary Policy Committee (MPC) of Reserve Bank of India had a meeting on February 08, 2024, and on the basis of a detailed assessment of the evolving macroeconomic and financial developments, the committee decided to keep the policy repo rate unchanged at 6.5 per cent. Consequently, the standing deposit facility (SDF) rate will remain unchanged at 6.25 per cent and the marginal standing

facility (MSF) rate and the Bank Rate at 6.75 per cent. The MPC also decided by a majority of 5 out of 6 members to remain focused on withdrawal of accommodation to ensure that inflation progressively aligns with the target, while supporting growth.

- The project for saturation of Social Security Schemes viz. PM JeevanJyotiBimaYojana (PMJJBY) , PM Suraksha BimaYojana (PMSBY) and Atal Pension Yojana (APY), launched by SLBC Kerala has been underway since 2023. In this connection, he expressed his happiness to inform that the districts of Wayanad and Palakkad have achieved complete saturation of social security schemes, by ensuring enrolment of at least one member of each family in one of the above schemes.
- SLBC has planned achievement of saturation of the whole State in the above manner by June 30, 2024. These schemes do not fall under the purview of RBI. However, considering that they provide social security cover to the families, he called upon the LDMs, banks, FLCs, CFLs and other stake holders to take concerted efforts to saturate the remaining districts.
- Reserve Bank of India gives great importance to the concept of financial inclusion, and with the objective of permeating financial awareness amongst the public through focused campaigns, we have been observing Financial Literacy week every year, since 2016. This year, it was observed from February 26 -March 01, on the theme "Make a Right Start, Become Financially Smart". with special focus on the young generation, so as to impart the knowledge of financial concepts sufficiently early. The sub-themes associated with the observance are 'Saving and Power of Compounding', 'Banking Essentials for Students' and 'Digital and Cyber Hygiene'.
- National Strategy for Financial Inclusion (NSFI: 2019-2024) is a vision document that has a bouquet of financial inclusion objectives. In pursuance of one of the milestones of NSFI, viz. 'Financial Literacy and Awareness', 25 centers for Financial Literacy (CFL) had been operationalized in Kerala in 2021, covering 75 blocks in the State. With a view to provide complete coverage of the remaining blocks of the State, 28 more CFLs have been operationalized in the state and DHAN Foundation, an NGO, has been entrusted with the functioning of the new CFLs.
- He was happy to note that the CD ratio of the state, as on December 2023, has increased on a Q-on-Q basis from 72.68% to 73.62% and even higher if we take view on an Y-on-Y basis considering that the ratio was at 68.15% as of December 2022. The banks had received deposits to the tune of `8,37,059.85cr. while they had given `6,16,260.94cr. as credit, as of December 2023. On a bank-wise review, it is good to see that most of the banks have improved their CD ratio with respect to their position as of December 2022. However, the banks headquartered in the state are yet to reach 60% mark. The banks with CD ratio less than 60% should positively put in more concerted efforts for considerable improvement.

- Under the Annual Credit Plan for 2023-24, against the total credit target of `4,50,589.45 cr, the banks had advanced a total of `3,65,564.99 cr to the state as of December 2023, with an achievement of 81.13%. The credit to the priority sector as of December 2023 was `1,70,657 crore, against the sector target of `2,69,671cr, which is 63.28% of the target. The banks have achieved 65.07% in the primary sector, 97.68% in the secondary sector and 19.44% in the tertiary sector, as of December 2023. This being for the third quarter, 75% achievement of the required target is the expected norm for all sectors. The banks need to be appreciated for their credit to the MSME sector, as they have lent `56,991.56cr against the target of `58,343.69cr, achieving 97.68%.
- 11. However, credit to the Tertiary sector is a cause of concern. The banks have given credit to the tune of `10,157.78 cr only against the required `52,251.75cr, which is only 19.44% of the target. The performance of banks in the tertiary sector requires significant improvement. Except Kozhikode and Kasargod, all other districts are lagging in their achievement in this sector. Further, in the total priority sector performance, Ernakulam and Wayanad are the bottom two districts
- In this connection, I would like to state that while fixing ACP targets for a year, it should be ensured that they are not lower than the achievements for the previous year.

#### **Recent developments in RBI**

1. The Reserve Bank of India (RBI) and the Bank Indonesia (BI) has signed a Memorandum of Understanding (MoU) for establishing a framework to promote the use of local currencies viz., the Indian Rupee (INR) and the Indonesian Rupiah (IDR) for cross-border transactions and to promote the use of INR and IDR bilaterally, covering all current account transactions, permissible capital account transactions and any other economic and financial transactions as agreed upon by both countries. This framework would enable exporters and importers to invoice and pay in their respective domestic currencies and would optimise costs and settlement time for transactions. Use of local currencies in bilateral transactions will eventually contribute to promoting trade between India and Indonesia as well as

deepen financial integration and strengthen the long historical, cultural and economic relations between India and Indonesia.

2. In the wake of continuing incidents/ reports of customers falling prey to frauds being perpetrated in the name of KYC updation, RBI once again urges the members of public to exercise caution and due care to prevent loss and safeguard themselves from such malicious practices. I would like the bankers to give wide publicity on the modus operandi for such frauds and the do's and don'ts for safeguarding from the fraudsters. In case of financial cyber frauds, members of public may be made aware that they should immediately lodge a complaint on the National Cyber Crime Reporting Portal ([www.cybercrime.gov.in](http://www.cybercrime.gov.in)) or through cybercrime helpline (1930).
3. Regarding ₹2000 denomination banknotes withdrawn from circulation, the total value in circulation, which was ₹3.56 lakh crore at the close of business on May 19, 2023, when the withdrawal of ₹2000 banknotes was announced, has declined to ₹8,897 crore at the close of business on January 31, 2024. Thus, 97.50% of the ₹2000 banknotes in circulation as on May 19, 2023, has since been returned. The ₹2000 banknotes continue to be legal tender. the facility for exchange of the ₹2000 banknotes is still available at the Issue Offices of the Reserve Bank.
4. Reserve Bank had permitted resident entities to hedge their gold price risk in recognized exchanges in the International Financial Services Centre (IFSC). It has now been decided to also allow resident entities to hedge the price of gold in the over the counter (OTC) segment in the IFSC. This will provide more flexibility to resident entities in hedging their exposure to gold prices.
5. RBI had mandated certain categories of lenders to provide the borrower a Key Fact Statement (KFS) containing essential information such as the all-inclusive annual percentage rate (APR) and recovery and grievance redress mechanism, in order to ensure transparency in disclosure of such information. The requirement of KFS is now being extended to cover all retail and MSME loans. This measure will lead to enhanced transparency in lending and enable customers in making informed decisions.

6. Aadhaar Enabled Payment System (AePS) has played an important role in financial inclusion by enabling customers to make digital payment transactions through service providers such as business correspondents. Given their significance, it is proposed to streamline the process for on-boarding of AePS service providers and introduce some additional fraud risk management measures. These measures will further strengthen the security of the AePS system and enhance its robustness.
7. Over the years, the Reserve Bank has proactively facilitated introduction of various mechanisms such as Additional Factor of Authentication (AFA) for securing digital payments. While no particular mechanism was specified by the Reserve Bank, SMS-based OTP has become very popular. With technological advancements, however, alternative authentication mechanisms have emerged in recent years. Therefore, to facilitate adoption of alternative authentication mechanisms for enhancing the security of digital payments, it is proposed to put in place a principle-based framework for authentication of such transactions.
8. The CBDC Retail (CBDC-R) pilot currently enables Person to Person (P2P) and Person to Merchant (P2M) transactions. It is now proposed to enable additional functionalities of programmability and offline capability in CBDC retail payments. Programmability will facilitate transactions for specific/targeted purposes, while offline functionality will enable these transactions in areas with poor or limited internet connectivity.

**Smt. M G Jayasree, Deputy Director General, Department of Financial Services, Ministry of Finance** in her speech addressed the following:

- The present SLBC meeting is held when the nation is at the verge of another election and Model Code of conduct has been declared.
- SLBC meeting is to engage Government Departments with the banks so that the bankers can help with innovative solutions and to finance developments in all sectors.
- She expressed her pleasure in the continuously increasing CD ratio of the state.
- DFS also stress on Financial inclusion, so priority should be given for opening Jan Dhan Accounts for all the adults.
- The pending applications in the banks in association with Mudra, SvaNIDHI, PMFME etc to be sanctioned at the earliest.
- Other area of priority is the digitally on boarding of merchants.
- She also stressed on increasing the digital transactions.

**Dr Gopa Kumaran Nair G,CGM, NABARD** in his address highlighted the increasing instances of man-animal conflict. He exhorted banks to consider ensuring credit availability to facilitate the installation of hanging fences around farms and plantations. He also emphasized on the need to formulate policies for granting KCC loan to tenant farmers for loan beyond Rs 1.60 lakh. Further, the need to focus on initiatives for reversing the effects of climate change was also touched upon by him. Bankers may consider financing for solarisation of agriculture pumps, bringing more area under climate resilient agriculture etc. He also pointed out actions to be initiated to provide NRLM SHG codes to all SHGs in the Category -1 districts and there by provide provision for the banks to claim the Interest subvention for SHGs promoted by both Kudumbashree and other NGOs.

### **1. Adoption of Minutes of 141<sup>st</sup> SLBC Meeting**

The forum unanimously adopted the minutes of the 141<sup>st</sup> SLBC Meeting, held on 6<sup>th</sup> February 2023, which was forwarded to the members, vide SLBC letter no: S SLBC/141/minutes/17/AJS dated 10th February 2024.

### **2. Highlights of performance for September 2023:**

<b>Parameter</b>	<b>Sep-23</b>	<b>Dec-23</b>	<b>Variation</b>	<b>% Growth</b>
Deposit	725420	747572	22152	3%
Advances	498681	542171	43479	9%
Agriculture Advances	115156	125540	6058	5%
MSME Advances	71008	74095	3086	4%

#### **2.1. Performance – Primary Sector:**

The agriculture outstanding grew from 104682 Cr in December 2022 to 125540 Cr in December 2023.

The share of Primary Sector Advances:

- Public Sector Commercial Banks: 55.75%
- Pvt Sector Commercial Banks: 32.63 %
- Kerala Gramin Bank: 8.89%
- Small Finance Banks: 2.73%

**District wise achievement:** Kozhikode: 134%,Kollam: 72%;Alappuzha: 94%;Kannur: 81%;Palakkad: 90%;Thrissur: 71%;Malappuram:82%;

Pathanamthitta:79%;Trivandrum:82%; Kottayam: 72%; Kasargod:77%; Idukki:64%; Wayanad:57% and Ernakulam:31%.

The Lead Bank Office Ernakulam and the banks of the district were instructed to give more focus on primary sector lending.

Banks with highest outstanding in Agricultural Outstanding as on June 2023:

- Canara Bank
- State Bank Of India
- Kerala Gramin Bank
- Federal Bank
- KSCB

**Share of NPA in Agriculture Advances** :Agriculture NPA is 2.85 % out of total agriculture advances.

## **2.2. Pending Issues in Primary Sector**

### **2.2.1. Doubling of Farmers Income**

ADA, Department of Agriculture, Government of Kerala has changed its focus from crop based approach to farm plan based approach. Last year 35 crop projects for farm plan based approach were formulated. Presently the Department is giving emphasis on processing and value addition as well as millet cultivation. Government is proposing to open Millet cafes in the near future. Convenor also stressed regarding the KERA project which focuses on the replanting which would in turn boost the agriculture sector of the state.

Convenor also appealed to the Member banks that FPOs should be financed in line with the guidelines of NABARD and collateral security should not be insisted for the same instead guarantee coverage for NABSAMRAKSHAN should be availed. SLBC has received several complaints regarding financing of FPOs which should be averted in the future.

In the discussion regarding the KCC numbers, Kerala Bank responded by saying that since there was a merger of 13 entities there was several issues in the data quality and now everything has been stream lined. CGM, Kerala Bank also confirmed that the data from March onwards will be uploaded in the portal of SLBC without fail.

**(Action: Banks and Department of Agriculture)**

### **2.2.2. Credit Delivery Framework for Tenant Farmers** (Agenda by Reserve Bank of India)

ADA, Agriculture Department, Government of Kerala informed the forum that under KERA project the Department is going to come out with certain guidelines for lease land farming.

**(Action: Department of Agriculture)**

### **2.2.3 Extension of Kisan Credit Card (KCC) Scheme for Animal Husbandry Farmers and Fisheries**

Deputy Director, Animal Husbandry Department informed that camps has been conducted and several forms has been handed over to the banks through the LDMs. In reply to the above, LDM, Palakkad informed that several forms were handed over this past week.

Convenor instructed the banks to sanction the applications within the specified time period without any delays. He also appealed to the Department of Animal Husbandry to have a liaison with the LDMs so that these applications are sanctioned at the earliest.

**(Action : All banks and LDMs)**

### **2.2.4 Agenda Suggested by Reserve Bank of India**

#### **2.2.4.1 Enhancing Credit Delivery to Agriculture Logistics and Supply Chain Ecosystem**

Sri. Anil Kumar, Directorate of Marketing and Inspection, Ministry of Agriculture, Government of India informed that forum that there is an existing scheme for Agriculture Marketing Infrastructure from 2019 onwards. But in the state of Kerala only 17 projects has been sanctioned till date. Other than that a huge amount of SC/ST fund under AMI is getting lapsed by 31<sup>st</sup> March 2024, so he requested the bankers of the state if any loans have been sanctioned for Agriculture Marketing can be included under the same. The scheme provides capital subsidy of 25% to the General Category and 33% to the SC/ST category applicants.

**(Action: Banks and Dept of Agriculture)**

### **2.2.5 Agenda Suggested by Director Agriculture**

#### **2.2.5.1. Credit under Agriculture Infra Structure Fund**

Convenor enquired regarding the pendency of AIF proposals in different banks and for the same CGM, Kerala Bank has informed that the bank has informed that the bank has sanctioned AIF proposals numbering to 194 and amounting to 423 Cr. Out the above mentioned sanctioned applications Kerala Bank has disbursed 190 Cr from 140 proposals.

Remaining proposals in the portal against Kerala Bank are non viable proposals which the bank will be rejecting shortly.

AIF, State PMU informed that there are issues with Union Bank of India in interest rate reduction where convergence has happened with PMFME cases. They also raised issue regarding the banks not marking disbursement in the portal.

In reply to the interest rate concession DGM, Union Bank informed that same will be taken up with the Head office will be sorted out.

LDM, Ernakulam informed that same issue is persisting with Indian Overseas Bank also for which the AIF, State PMU and LDM has taken up the issue with the bank and still the issue has not been sorted out. Convenor informed that if the issue is not solved at the earliest this may lead to Ombudsman complaint.

Regarding the pending proposals Kerala Bank informed that a decision on pending proposals will be taken by 25<sup>th</sup> of March 2024.

**(Action: Banks and Dept. Of Agriculture)**

### **2.125.2 Agenda suggested by Directorate of Agriculture regarding recovery of ineligible beneficiaries under PM-KISAN Scheme**

Agriculture Department informed that 71 Crs of amount has to be recovered from the ineligible farmers and income tax payees but only 50.9% of the amount mentioned above has been recovered till date.

**(Action: Directorate of Agriculture)**

### **3. Performance under Secondary Sector**

The YOY growth under MSME is 13.60% and the outstanding amount under MSME in the state stood at 75,974 Cr.

### **3.1 Agenda Suggested by the Director of Industries and Commerce – Review of MSME Schemes as part of Atma Nirbhar Bharath**

#### **3.1.1 Agenda suggested by Director of Industries and Commerce – Review of PMSVANidhi**

Convenor informed the forum that though initially the performance under PM SVANidhi was not upto the mark in the state of Kerala we were able to do well with the help of Kudumbasree and banks like State Bank of India, Canara Bank, Indian Bank etc.

The representative from Kudumbasree informed though the performance has improved still there are 8657 pending applications with the banks of the state for

sanctioning. Highest number of pendency is with State Bank of India, Federal bank, Canara Bank and Kerala Gramin Banks.

Convenor informed the banks to sanction and disburse the maximum number of applications by March 31<sup>st</sup>.

### **3.1.2 Agenda suggested by Director of Industries and Commerce – Review of PM FME**

Convenor requested the banks to reduce the pending applications and improve the performance under the scheme.

### **3.1.3 Agenda suggested by Director of Industries and Commerce – Review of PMEGP**

Director KVIC has informed the forum that for the FY 23-24 the state was allotted a total target of 72 Cr and presently the state have crossed sanctions of 73 Crs. Present achievement is 103%. He appreciated all the banks of the state for giving continuous support for the PMEGP schemes. Special mention was given to Canara Bank, State Bank of India and Kerala bank for sanctioning the maximum number of loans under the same. Director also informed that as per the portal there are still loan applications amounting to 76 Crores yet to be sanctioned by the bank and requested the banks to expedite the same. In the last SLMC meeting it was pointed out by the Principal Secretary, Industries Department that since the state is achieving the state target continuously the same to be increased.

The physical inspection has started as per the latest circular from KVIC. The contract with Genisis will expire by March 2024 and Central Officer of the KVIC will be assigning the responsibility for physical verification to another agency at the earliest.

Convenor instructed the banks to urgently address the issue of referred back claims. Director also informed that there are several applications which are pending with the banks for more than three months which should be cleared within this March 2024.

### **3.2 Agenda Suggested by Reserve Bank of India – Bringing Kerala State Government PSU into TrEDS Platform**

Additional Secretary, Industries Department, informed the chair that after the last SLBC meeting there has been a considerable progress in enrolling the State Government PSU into TrEDS Platform and around 8 PSUs has been enrolled till date.

Regional Director, Reserve Bank of India informed that if Central Government can make all their PSUs to enroll into the TrEDS platform mandatorily why we cannot. As a reply to the same Additional Sector informed that since the financial positions of State PSUs are not so strong settling the same under the timeline provided in the TrEDS. State Government is thinking in the same line as the Central Government for enrolling the State PSUs mandatory.

Convenor informed that Government PSUs are exempted from rating for enrolling into the portal.

**(Action: Industries Department and SLBC)**

### **3.3. Agenda suggested by NORKA- Review of NDPREM**

Additional Secretary, NORKA informed the forum that several applications are pending at the banks and each banks are taking a minimum time of 3-4 months for getting sanctioned.

Convenor requested the banks to reduce the pending applications and improve the performance under the scheme.

### **4. Pending issues under Tertiary Sector**

#### **4.1 Agenda Suggested by Reserve Bank of India**

##### **4.1. Revamp of Lead Bank Scheme standardized system for data flow**

Kerala Bank informed the forum that the standardized system will be implemented from the March quarter onwards as trial run for the same is over.

**(Action: Kerala Bank)**

#### **4.2. PRAGATI Meeting: Review of Social Security Schemes – PMJJBY , PMSBY and APY.**

General manager, RBI informed that though the insurance portfolio is not coming directly under the purview of RBI but still RBI has taken initiative to saturate the state with the accident insurance scheme PMSBY which is having a nominal premium of Rs.20. He appreciated the efforts taken by the Kudumbasree as well as the LSGD due to which we were able to saturate two districts i.e. Palakkad and Wayanad. Presently the incidents of man animal conflicts are on the rise which increases the importance of such social security schemes. GM, RBI instructed the banks to improve their enrolments under this scheme so that all the districts in the state are getting saturated by this Independence day.

#### **4.3 Agenda Suggested by FRDA: Performance under APY**

Convenor raised his concern regarding the performance of the state under APY as till March 2024 state has achieved only 39.11% of the target allotted. The top performers under APY in the state are State Bank of India, Canara Bank and Kerala Gramin Bank.

**(Action: Member Banks, SLBC, LDMs)**

#### **4.4. Review of CD Ratio -Suggested by RBI**

The CD ratio of the state is 73.62%. Most of the banks are having CD ratio more than the state average.

General Manager, Reserve Bank of India informed that the Kerala based banks which are having a low CD ratio have raised their deposits from Kerala itself. 80% of the deposits raised in Kerala to be lend in Kerala itself so that the CD ratio of the state shows good improvement.

GM, RBI also instructed the banks of the state to digitize their loan products as loans can be availed by the people with less paperwork which will inturn add to the CD ratio of the state.

Regional Director, Reserve Bank of India enquired to the State Bank of India regarding whether the loans sanctioned by their Corporate Office is coming under Advances of SBI in the State. As a reply DGM, State Bank of India replied that SBI is having a Commercial Branch at Ernakulam and the advances sanctioned by the same is not getting reflected here as the same is a different vertical. Regional Director, RBI instructed SBI to reclassify those advances to Kerala or take necessary steps to improve the CD ratio in the state.

GM, RBI instructed the Federal bank and South Indian Bank to respond regarding their low CD ratio. Federal Bank responded that their CD ration has increased by 5% from last March and they are trying to still improve the same.

Federal bank representative informed that the CD ratio of the bank is continuously growing and they will take steps to improve much more.

Convenor also raised the concern regarding South Indian Bank regarding the Bill Discounting System as SIB has stopped the same with out any communication which has resulted in many complaints escalating to the Finance Minister of Kerala. South Indian Bank representative informed that the scheme is under discussion in the Head Office and the latest developments will be communicated in the coming days.

**(Action: Banks)**

#### **4.5. Rural Self Employment Training Institutes (RSETIs) - Reimbursement of Training Expenses of BPL Candidates to "AA" Rated RSETIs**

With the continued efforts of the Executive Director Kudumbasree the long pending training expenses were sanctioned by the Central Government and the State was allotted an amount of Rs. 12.14 Cr. The same is lying in the Treasury which is yet to be released to the RSETIs. For this concern raised by the RSETI Director, SLRM representative informed that the bill for the same has been placed the soon the amount will be transferred to the respective agencies.

**(Action: SLRM, Kudumbasree and RSETI Director)**

#### **4.6 Status of Land allotment for RSETIs buildings**

Regarding the land allotment Kudumbasree representative informed that Executive Director Kudumbasree has called an online meeting of BDOs of Idukki and Kottayam districts and the procedure is expected to be completed within 2 months.

Convenor requested to the Kudumbasree officials that the land allotted should having facilities like drinking water, transport facilities etc.

**( Action : Revenue Department, SDR, Kudumbasree and Banks)**

#### **4.7. Agenda suggested by Indian Bankers Association regarding - SVAMITVA Scheme**

The program of digital survey of land recording is progress.

#### **4.8 Agenda suggested by NeSL**

NeSl representative informed that around 30 banks have enrolled into this platform but the number is still low. The ranking of our state under the E-Stamp usage is 12<sup>th</sup> in the country. A total of 86,725 transactions have happened in the state of Kerala under DDE.

#### **4.9 Agenda suggested by RBI - Adoption of Fintech**

GM, RBI urged the banks of the State to digitize maximum loans. In association with the same Sri. Kailas Perumal, AGM, State Bank of India informed that SBI of has launched BRE Mudra ie loans upto 10 lakhs in fully automated processing.

### **5. FRESH ISSUES**

#### **5.1 Primary Sector**

##### **5.1.1. Agenda suggested by FIDD: ACP Achievement, CD ratio and branch distribution**

**ACP achievement in Ernakulam and Wayanad:** LDM Ernakulam and Wayanad informed that they will revert after checking the data.

**CD ratio of Pathanamthitta:** LDM, Pathanamthitta informed that the district is having a deposits to a tune of 60,000 Cr and advance is only 19,000 Cr. To increase 1% of CD ratio there should be a lending of 600 Cr. That much potential is not there in Pathanamthitta and in the past few decades the CD ratio is hovering around 30%.

**10 percentile of percapita distribution of branches/ fixed BCs:** Convenor and GM, RBI informed that the data provided from the Central office seems to be not correct. GM, RBI pointed out the intervention of DFS into this as there is a need for data correction centrally.

**(Action: All the banks)**

### **5.1.2. Agenda suggested by FIDD: Inactivity of BCs**

GM, RBI informed that several banks are designating their Microfinance offices as BCs. BCs are not meant for microfinance purpose only. Once this activity is stopped the BCs become inactive and which gives a poor picture. The same is the case with the payment banks. The banks should take responsibility to update the BC registry which is not happening presently which will give a clear picture.

### **5.1.3. Agenda suggested by NABARD: Credit flow to Agriculture**

GM, NABARD informed the forum that Agriculture loan term lending is around 27% when compared with the total agriculture lending. He also added that ATL to be improved if agriculture has to sustain in our state. He also suggested having bank wise ATL lending review from next SLBC meeting. There are several GOI schemes which the banks can utilize to improve the ATL like ACBC scheme, AIF, PMFME etc. He also touched upon the AMI scheme which has been extended till 2026. As per the latest change the inspection in cases of loans sanctioned under AMI to be done by the Branch Manager only and the entire process has been digitized. He also stressed up on the fact that storage facilities having capacities above 1000mt to be registered with WDRA.

GM, NABARD informed since the KCC interest subvention has been digitized banks should ensure that all the KCC beneficiaries to be enrolled into the KCC Rin portal otherwise they will end in losing the subsidy.

PVTGs to be mapped in the district of Wayanad and they should be saturated with KCC and social security schemes.

Several Banks are yet to submit the utilization certificate for the DEDs and NLM schemes to NABARD, so GM, NABARD requested to submit the same at the earliest.

Regarding the Financial inclusion funds, all the banks are requested to utilize the same for conducting the same.

NABARD has provided CAPEX support to RSETIs at the rate of 4.5 lakhs per RSETI and claim is yet to be received from Idukki. GM, NABARD instructed RSETI Idukki to submit the claim by 25<sup>th</sup> of March 2024.

NABARD has sanctioned 24 CFL to Canara Bank, State Bank of India and Indian Bank. GM instructed the banks to claim the CAPEX amount at the earliest.

There were complaints from the field that compound interest is being charged for the KCC accounts for the same Convenor replied that once the account becomes overdue only compounding interest is charged.

LDM, Wayanad informed that from DFS the data for the PVTG groups is being asked. But the banks are having no separate data regarding the same as this functionality is not their

in the CBS. NABARD and Convenor informed that manual data regarding the same to be maintained.

#### **5.1.4. Agenda suggested by LDM Thrissur and Palakkad: Issues in financing to Kudumbasree groups**

LDM Palakkad raised the issue that several banks are violating the SHG financing norms as in the case of newly formed SHGs are financed to a limit of 15 Lakhs. Kudumbashree officials also raised the issue that they are also facing the same issue in four districts like Palakkad, Alapetty, Thrissur and Kozhikode. The loans are provided without the concern of the CDS.

In reply GM, RBI informed that giving a loan without the consent of CDS in the issue here but giving a loan more than the capacity of the borrower is the issue. If proper proofs and data are provided to the RBI the same will be investigated and solutions can be arrived.

CGM, NABARD instructed the banks to stop these kind of gross violations under SHG financing as there should be a gradual increase in financing the groups.

#### **5.1.5. Agenda suggested by LDM Palakkad: Issues in financing KCCS**

LDM, Palakkad raised concern regarding where KCC is given by taking gold as security. In these cases the scale of finance is not followed properly. Convenor instructed the banks to strictly follow scale of finance while financing KCC.

CGM, NABARD informed that 60% of the short term loans are supported by gold loans. He also instructed that there should not be any gross deviation while financing the KCC.

### **5.2 Secondary Sector**

#### **5.2.1 Agenda suggested by Industries Directorate**

Official from Industries Directorate addressed the forum regarding the nano house hold units and issues in their financing. banks to take a proactive role in promoting the Nano house hold units.

Industries Directorate also informed regarding the Mission 1000 scheme which aims to scale up the MSME units of the state. Another new scheme launched is for the revival of the stressed MSMEs.

### **5.3 Tertiary Sector**

#### **5.2.2 Agenda suggested by Inspector General of Registration**

Smt. Sree Dhanya IAS, clarified that as per the declaration made in the Budget all the banks to follow MODTD from the month of April 2024. The charges for the same will be 0.1% of the loan amount ie minimum of Rs.2000 to a maximum of Rs. 10000. She

also stressed regarding the Digital Document Execution as the same has been implemented in the state of Kerala from 2022 February and the usage of the same is not to the extend comparing with the other states. She requested the banks of the state to improve the usage of Digital Document Execution which is convenient for all the associated parties.

Smt. Sree Dhanya IAS also asked the banks to share the MODTD format for scrutiny.

DGM, SBI enquired whether applicants have to go to SRO for doing the same for which Smt. Sree Dhanya IAS replied that presently Cooperative Banks have system of doing the same online the same system will be followed for other banks also.

Smt. Sree Dhanya IAS enquired whether Cholanayaka community can be included in the PM JANMAN scheme for which the Department of Agriculture informed that 5 PVTG groups from 6 districts have been included under the PM JANMAN program.

### **5.2.3 Agenda suggested by Additional Commissioner of State GST**

Smt. Srilakshmi IAS, informed that as per the discussions in the last SLBC meeting several banks have provided the list of Nodal officers as per their request. Still some more banks are pending kindly expedite the same so that the next stage of process can be initiated.

Convenor, SLBC informed that the same will be consolidated and provided at the earliest.

### **5.2.4 Agenda suggested by Higher Education Department**

Convenor informed to the Higher Education Department that any specific issue of aadhar seeding can be taken up with the concerned bank or SLBC directly so that issue may be sorted out at the earliest.

### **5.2.4 Agenda suggested by LDM Palakkad: Minimum Group Member Required for the LSGD Scheme**

Convenor informed that same to be have an extensive discussion.

### **5.2.5 Agenda suggested by KKEM:**

The representative from the KKEM informed the ambitious program initiated by the Kerala Government by bringing all the skilling agencies under one umbrella and Kerala Knowledge Economy has emboarded around 600 programs. He also raised the issue that presently only skill loan can be provided upto 1.5 Lakhs and requested to provide skill loans to all the KKEM accredited program. He also added that women participation in the Kerala's labor force is only 28%, we are also focusing on increasing the same.

Convenor informed that since the educational loan is sanctioned under the guidelines issued by IBA, skilling loan is provided up to Rs.1.50 lakhs only. Sanctioning of loans under skilling is not a problem provided after completion of the course a certificate or diploma certificate is provided.

**Sri. Pradeep K S, Deputy General Manager, Canara Bank** proposed the vote of thanks to all participants and the meeting concluded at 1.30pm.

**Participants**

<b>CHAIRPERSON OF THE MEETING</b>			
<b>SL NO</b>	<b>INSTITUTION</b>	<b>NAME</b>	<b>DESIGNATION</b>
1	Government of Kerala	Smt. Sarada Muraleedharan	Additional Chief Secretary

<b>DEPARTMENT OF FINANCIAL SERVICES</b>		
<b>SL NO</b>	<b>NAME</b>	<b>DESIGNATION</b>
1	Smt. M G Jayasree	Deputy Director General

<b>RESERVE BANK OF INDIA</b>		
<b>SL NO</b>	<b>NAME</b>	<b>DESIGNATION</b>
1	Sri. Thomas Mathew	Regional Director
2	Dr. Cedric Lawrence	General Manager
3	Sri. K B Sreekumar	Deputy General Manager
4	Sri. Sabith Salim	Assistant General Manager
5	Smt. Mini Balakrishnan	Manager

<b>NABARD</b>		
<b>SL NO</b>	<b>NAME</b>	<b>DESIGNATION</b>
1	Sri. Gopa Kumaran Nair G	Chief General Manager
2	Sri. H Manoj	General Manager
3	Smt. Krishna Sandhya	Deputy General Manager

<b>GOVERNMENT OF KERALA/ GOVERNMENT OF INDIA/DEVELOPMENTAL AGENCIES</b>			
<b>SL No</b>	<b>INSTITUTION</b>	<b>NAME</b>	<b>DESIGNATION</b>
1	Finance Department.	Sri. Mir Muhammed Ali IAS	Special Secretary
2	State GST Department	Smt. Sreelakshmi R IAS	Additional Commissioner
3		Sri. Shahin Shah KAS	Deputy Commissioner
4		Sri. Madhu K	Additional Commissioner
5	Registration Department	Smt. Sreedhanya IAS	Inspector General of Registration
6	Department of Cooperation	Sri. Jayan T KAS	Deputy Registrar
7	Land Revenue Commissionerate	Sri. Rohin Raj R KAS	Assistant Commissioner

8	SC/ST Development Department	Smt. Surya S Gopinath KAS	Under Secretary
9	Taxes Department	Smt. Nandana S KAS	Under Secretary
10	Industries Department	Sri. Shibu Issac	Additional Secretary
11	Directorate of Industries	Sri. Nishand S	Deputy Director
12	Planning and Economic Affairs Department	Smt. Sindhya T S	Under Secretary
13		Smt. Reena K K	Officer
14		Sri. Suresh K	Research Officer
15	Department of Agriculture and Farmers' Welfare	Sri. Mohammad Haneefa	Additional Secretary
16	Directorate of Agriculture	Sri. Ajit C	Assistant Director (Planning)
17		Sri. Pramod M S	Assistant Director of Agriculture(Planning)
18		Sri. Vipin K S	Assistant Director of Agriculture(TS)
19	LSGD	Sri. Sadasivan	Officer
20		Sri. Viraj K	Officer
21	LSGD Principal Directorate	Smt. Lekha A	Senior Finance Officer
22	Revenue Department	Sri. Sumad P T	Under Secretary
23	Kudumbasree Mission	Smt. K S Bindu	Director(A&F)
24		Sri. Pradeep Kumar R	Program Officer (DDU - GKY)
25		Sri. Pridhvi Raj	State Mission Manager(NULM)
26	Directorate Of Animal Husbandry	Dr. Saritha Vijayan	Deputy Director
27	Directorate of Fisheries	Sri. Suhair K	Deputy Director
28	Dairy Development Department	Smt. Nisha B S	Deputy Director
29	KVIC	Sri. C G Andavar	State Director (i/c)
30		Sri. Sanjeev	Assistant Director
31	KVIB	Smt. P N Mary Virgin	Director (PMEGP)
32		Smt. Sabeen Beegum	Project Officer
32	NORKA Department	Smt. Sindhu S	Additional Secretary
33	NORKA Roots	Smt. Beenakumari S	Assistant
34	State Horticulture Mission	Smt. Bindu C S	Deputy Director of Agriculture
35	State Lottery Dept.	Smt. Maya N Pillai	Joint Director

36	Agriculture Infracund	Sri. Renith Murali E	Agriculture Expert
37		Smt. Soumithri Krishnanunny P	Post Harvest Management Expert
38	ST Development Department	Sri. Bipindas Y	Assistant Director (Publicity Wing)
39	National Commission for SC	Smt. G Dhanya	Senior Investigator
40		Smt. Gopika C	DEO
41	Kerala Knowledge Economy Mission	Sri. P M Riyas	General Manager
42		Sri. Anand K	Programme Manager
43	National E-Governance Services Limited	Sri. H B Vaidya	Relationship Manager
44	Department of Economics & Statistics	Sri. Sreekumar B	Director of Economics & Statistics
45	Department of General Education	Sri. Jayakumar C S	Deputy Secretary
46	Directorate of Technical Education	Sri. Ajith Kumar S N	Senior Finance Officer
47	RSETI	Sri. Percy Joseph	State Director RSETI
48	Directorate of Marketing and Inspection, GOI	Dr. Anilkumar R	Dy. Agri Marketing Advisor
49		Sri. L Rajasekhar	Sr. Marketing Officer
50	Dept. Of Telecom	Sri. Ajith Kumar S	Deputy Director Of General

## PUBLIC SECTOR BANKS

SL NO	INSTITUTION	NAME	DESIGNATION
1	BANK OF BARODA	Mr. B. Sudharshan	Asst. General Manager & Regional Head
2	BANK OF INDIA	Sri. Yeswanth Kumar SU	Deputy Zonal Manager
3	BANK OF MAHARASHTRA	Sri. Midhun Chakaravarthi G	Senior Manager
4	CENTRAL BANK OF INDIA	Sri. A Sravan Kumar	Chief Manager
5		Smt. Nayana P	Manager
6	INDIAN BANK	Smt. Sam Sampath Evugen	Deputy General Manager/Zonal Manager
7	INDIAN OVERSEAS BANK	Sri. K Subramaniam	Chief Manager
8	PUNJAB & SIND BANK	Sri. Manish Raj	Chief Manager

9	PUNJAB NATIONAL BANK	Smt. Nithyakalyani R	AssitantGeneral Manager
10	STATE BANK OF INDIA	Sri. B N Martha	Deputy General Manager
11		Sri. Venkitaraman A V	Deputy General Manager
12		Sri. Somasundaram	Assistant General Manager
13		Sri. Kailas Perumal	Assistant General Manager
14	UCO BANK	Sri. M Srinivas Chari	Assistant General Manager
15	UNION BANK OF INDIA	Sri. Syam Sunder	Deputy General Manager
16		Sri. Sujit S Tariwal	Deputy General Manager

CONVENOR BANK (CANARA BANK)		
SL NO	NAME	DESIGNATION
1	Sri. S Premkumar	SLBC Convener & General Manager
2	Sri. Pradeep K S	Deputy General Manager
3	Sri. Sunil P L	Divisional Manager
4	Sri. Achuth J Sankar	Senior Manager
5	Sri. Unnikuttan R	Officer
6	Sri. Gokul Sreekumar	Officer
7	Sri. Sreejesh P S	Officer

REGIONAL RURAL BANK			
SL NO	INSTITUTION	NAME	DESIGNATION
1	Kerala Gramin Bank	Sri. Jayaprakash C	Chairman
2		Sri. Subramanyan Potti M	Assistant General Manager

PRIVATE SECTOR BANKS			
SLNo	INSTITUTION	NAME	DESIGNATION
1	AXIS BANK	Sri. K Viji Raju	Cluster Head
2	Bandhan Bank	Sri. Liljith Mohanan	Branch Head
3	CSB BANK Ltd	Sri. Shoby Michael	Deputy Vice President
4	CITY UNION BANK	Sri. Ajith Singh V C	Deputy Manager
5	DBS Bank Ltd	Sri. Arun P S	Branch Manager

6	DHANLAXMI BANK	Sri. Sreekanth V V	Regional Head
7	FEDERAL BANK	Sri. Shobin George	AEVP
8	HDFC BANK Ltd	Sri. N Subhash	Senior Vice President
9	ICICI BANK	Sri. Tony Thomas	Chief Manager
10	IDBI BANK	Sri. Nebu Thomas Koshy	Deputy General Manager
11	IDFC FIRST Bank	Sri. Anandhu K M	Relationship Manager
12	INDUS IND BANK	Sri. Hirosh B L	Branch Manager AVP
13	KARNATAKA BANK	R Gopinath	Assistant Manager
14	KARUR VYSYA BANK	Sri. Igil Isac	BSSE
15	KOTAK MAHINDRA BANK	Sri. Biju Narayanan	Asst. Vice President
16	RBL BANK	Sri. Abhilash David	Branch Manager
17	THE SOUTH INDIAN BANK	Sri. Kurian Abraham	AGM
18	Tamilnad Mercantile Bank	Smt. Iswarya	Assistant Manager
19	YES BANK	Sri. Arun S S	Divisional Manager

## CO-OPERATIVE BANKS

SL NO	INSTITUTION	NAME	DESIGNATION
1	KSCARDB (incl. PCARDBs)	Sri. Biju Varghese T	Agriculture Development Manager
2	Kerala Bank	Sri. Roy Abraham	Chief General Manager
		Smt. Preetha K Menon	General Manager

## LEAD BANK OFFICES

SL NO	INSTITUTION	NAME	DESIGNATION
1	Indian Overseas Bank	Sri. Jayamohan S	LDM Trivandrum
2	Indian Bank	Smt. Arunima V T	LDM Kollam
3	State Bank of India	Sri. Arun M	LDM Alappuzha
4	State Bank of India	Sri. Cyriac Thomas	LDM Pathanamthitta
5	State Bank of India	Sri. Alex E M	LDM Kottayam
6	Union Bank of India	Sri. Jose George Valavi	LDM Idukki
7	Union Bank of India	Sri. P D Mohankumar	LDM Ernakulam
8	Canara Bank	Sri. Mohanachandran	LDM Thrissur
9	Canara Bank	Sri. Sreenath R P	LDM Palakkad
10	Canara Bank	Sri. M A Titten	LDM Malappuram
11	Canara Bank	Sri. Muraleedharan T M	LDM Kozhikode
12	Canara Bank	Sri. Bipin Mohan	LDM Wayanad
13	Canara Bank	Sri. E Prashanth	LDM Kannur

14	Canara Bank	Sri. N V Bimal	LDM Kasargod
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SMALL FINANCE BANK			
SL NO	INSTITUTION	NAME	DESIGNATION
1	ESAF	Sri. Wilson Thomas	Chief Manager
2	Ujjivan	Sri. Abhilash Thomas	State Leader

Payment Bank			
SL NO	INSTITUTION	NAME	DESIGNATION
1	India Post Payment Bank	Sri. M Murugesan	Chief Manager
2	Airtel Payments Bank	Smt. Sreedevi RNair	South Zonal Manager