120^{th} MEETING OF STATE LEVEL BANKERS' COMMITTEE, KERALA
AGENDA AND BACKGROUND NOTES

Date : 30^{th} December, 2016 (Friday)
Time : 11 a.m.
Venue : Hotel Residency Tower
Govt. Press Road, Trivandrum

1. ADOPTION OF MINUTES

The minutes of the 119^{th} Meeting of SLBC, Kerala held on 30^{th} September 2016 has already been forwarded to the members vide Convener's letter SLBC 35 251 2016 GN dated 30^{th} November, 2016.

The House may adopt the said minutes.

2. PENDING ISSUES

2.1. PRIMARY SECTOR

2.1.1. Introduction of a Credit Guarantee Scheme for Agriculture Term Loans similar to CGTMSE (*Pending since July 2012*)

In the SLRM 2012, it was suggested that in view of the mounting NPA under Agriculture Term Loans after implementation of ADWDRS, banks were facing serious issues. It was decided to recommend to the Government of India for the introduction of a Guarantee Scheme similar to CGTMSE, particularly for Term Loans under Agriculture.

In response to the decision, recommendation, SLBC Cell has taken up with the GOI.

In the State Level Review Meeting of SLBC, Kerala held on 27^{th} & 28^{th} June, 2016, Sri. Ashok Kumar Singh IAS, Director (FI & IT), DFS, Ministry of Finance assured the forum to check up the matter. The forum decided to pursue the matter with DFS, Government of India.

Vide letter SLBC 38 204 2016 GN dated 23.08.2016, SLBC Cell has taken up the matter with Joint Secretary, DFS, MOF, Government of India requesting to examine the matter.

The 119^{th} Meeting of SLBC, Kerala held on 30.09.2016, decided to pursue the matter with DFS, Government of India with the above details.

2.2. SECONDARY SECTOR

2.2.1. Issues involved in the implementation of PMEGP Scheme
(*Pending since March 2014*)

Panchayats are issuing licenses only after installation of machinery and banks insists for Panchayat licenses/NOC before disbursement of loans. Citing this reason many PMEGP applications are getting returned.

A common direction is necessary for minimizing beneficiary grievances in this front.

In the 115th Meeting of SLBC, Kerala held on 16.03.2015 at Trivandrum, Sri. James Varghese, IAS, Principal Secretary, Local Self Government Department informed the following 3 stage process for issue of license for running an industry.

(i) Building permit
(ii) License to install
(iii) Running permit/licence

He informed that building permit is given once building is ready. License to install is immediately given on production of various NOCs of various statutory agencies and once it is installed running permit is given. Running license can be given only after installing the equipments concerned and this can be given only in the final stage. He informed that once the license to install is given the banks can make the disbursement. Responding to a query, he informed that provisional licensing system is not there and that may not be possible because Department is the final authority to see all the conditions are fulfilled.

The State Level Review Meeting of SLBC, Kerala held on 27th & 28th June, 2016 recommended that:

- *Licensing to be simplified by routing all the applications through single window system of DIC so that delay in getting licenses from line department could be reduced.*
- *Issue of license to install machinery and running permit to be clubbed into one step.*

Sri. C. Saravanan, Deputy General Manager, RBI said that most of the Kerala based banks have framed credit policies for supporting the restructuring of MSMEs, However, the RBI Empowered committee on MSME which is going to be conducted the next day would discuss it further with banks to take forward the rehabilitation wherever it is found feasible. He added that SLBC recommendations should be circulated to all the LDMs for improving the ease of doing business.

Forum decided to pursue the agenda with the Government.

Vide letter SLBC /SLRM 2016 / 191/ GN /2016 dated 06.08.2016, SLBC Cell has submitted a speaking note to Chief Secretary. The substance of the note is:

- *The present three stage licensing, may be merged into a single comprehensive license which may be issued at the beginning itself listing out the conditions to be satisfied.*
- *The Licensing authority can always inspect the factory at any stage and verify the violations of the license terms and take appropriate action.*
- *The financing banker can also ensure that at each stage, the project is implemented on the licensed terms Government may also think of a single window clearance system similar to states like Tamil Nadu, Karnataka and Gujarat.*

The 119th Meeting of SLBC, Kerala held on 30.09.2016 decided to pursue the matter with the Government.

The Chief Secretary convened a meeting on SLBC pending agenda items with the line Departments on 04.11.2016 and asked the Departments concerned to look into the matter and give a detailed report on the SLBC pending agenda items.

2.3. TERTIARY SECTOR

2.3.1. Land Allotment for construction of RSETI Buildings

(Pending since July 2012)

119th Meeting of SLBC, Kerala held on 30.09.2016 noted the present position of the land allotment of Kozhikode, Palakkad, Kollam and Pathanamthitta RSETIs.

District	***Present position***
Kozhikode	*50 Cents land allotted in Vadakara Block. Formal MoU to be signed by Canara Bank and Block Panchayat*
Palakkad	*Land identified at Parli Grama Panchayat. PD of PAU and RSETI Director sent the report to the Government. Awaiting GO*
Kollam	*Land earmarked ETC Kottarakkara/KIP site. This has been agreed by the bank and Government.*
Pathanamthitta	*District collector has located a land in Konni Municipality for this purpose. This will be inspected by the concerned and report given. In the meantime efforts will be made to withdraw the court case pertaining to Pandalam grama panchayat land where a Gramin Nyayalaya is also proposed.*

Vide letter SLBC /SLRM 2016 / 195/ GN /2016 dated 24.08.2016, SLBC Cell has submitted a speaking note to Chief Secretary on the matters related to

- *Allotment of land (in respect of 4 districts).*
- *Construction of building on the land allotted (in respect of 5 districts).*

The Chief Secretary convened a meeting on SLBC pending agenda items with the line Departments on 04.11.2016 and asked the Departments concerned to look into the matter and give a detailed report on the SLBC pending agenda items.

2.3.2. Computerization of Land Records & & Creation of a Central Registry titled National Mortgage Repository (*Pending since June 2006*)

(a) To computerise land records in the State of Kerala – This will enable financing banks to make online noting, regarding their lien and help to bring down the transaction cost for getting various certificates from village office.

(b) To establish a National Mortgage Repository (NMR) in the State that will function in a similar manner as vehicle registration where hypothecation is marked on the Registration Book of the owner or a Search made in Registrar of Companies Office to ascertain certain details pertaining to companies.

This is aimed at bringing in more transparency and prevention of frauds on property transactions.

*In the State Level Review Meeting of SLBC, Kerala held on 27th & 28th June, 2016, **r**epresentative from Revenue Department informed that 583 out of 1572 villages have completed the computerization and the process is going on.*

The forum requested the Revenue Department to complete the computerization process as early as possible and decided to pursue the matter.

The 119th Meeting of SLBC, Kerala held on 30.09.2016 requested the Revenue Department to complete the computerization process as early as possible and decided to pursue the matter.

2.3.3. Denial of E-Tender access facilities to customers of all banks except SBT (*Pending since March 2014*)

Few bank branches have complained that E-Tender access is deprived to their customers as the access is restricted for SBT only. Presently SBT alone is permitted to handle E-Tender business of Government of Kerala. Because of this other bank customers are forced to open accounts with SBT and is causing lot of inconveniences to them.

E-payment access for all banks is accepted by an apex committee of the Government. The GO is awaited. Planning & Economic Affairs Department may inform the developments.

The 116th Meeting of SLBC, Kerala held on 22.09.2015 at Trivandrum noted that Planning & Economic Affairs Department has taken up the matter with IT Department for getting their opinion. The forum decided to pursue the matter.

In the 117th Meeting of SLBC, Kerala held on 18.12.2015, Sri. Subrata Biswas, IAS, Additional Chief Secretary, Agriculture Department, Government of Kerala requested the Convenor, SLBC to inform details in writing, and assured to take up the matter with the respective Secretary.

SLBC Cell, vide letter No. SLBC 117 394 GN 2015 dated 24.12.2015 has taken up the matter with Principal Secretary, Information Technology Department, Government of Kerala requesting to examine the matter.

The State Level Review Meeting of SLBC, Kerala held on 27th & 28th June, 2016 felt the same as a glaring disparity and the facility may be extended to all the customers across all the Banks. The forum decided to pursue the matter with Government.

Banks may report to SLBC cell if the issue persists with respect to them

The 119th Meeting of SLBC, Kerala held on 30.09.2016 requested banks to report specific issues, if any, persists with them to SLBC Cell. If there is not any issue, then the issue may be dropped.

2.3.4. Noting of Equitable Mortgage created in favour of the banks in Revenue Records *(Pending since March 2014)*

(i) At present there is no practice of noting/recording the Equitable Mortgage (EM) transactions (ie. Mortgage by deposit of title deeds) in the revenue records of the State Government. Also there are no provisions for the same in the revenue regulations of the State of Kerala.

In a recent judgment of the Hon'ble Supreme Court of India in State of Haryana v. Narvir Singh & another, reported in (2014) 1 Supreme Court Cases 105, wherein it has been held that banks and financial institutions who accept a mortgage by deposit of title deeds can request the Revenue Authorities to enter the factum of such mortgage in the revenue records. In the facts of the aforesaid case, the Revenue Authorities had taken the stand that only a registered mortgage can be noticed in the revenue records. The view taken by the Revenue Authorities has been held to be unsustainable.

Now that the law has been settled by the Hon'ble Supreme Court, it is requested that when the bank accepts mortgage by deposit of title deeds (Equitable Mortgage), provision shall be enabled for the bank to request the Revenue Authorities to note the same in the revenue records.

The Revenue department has to inform the progress.

The 116th Meeting of SLBC, Kerala held on 22.09.2015 at Trivandrum proposes that the Government may introduce a reasonable fee for this facility and suggested the following fee tariff:

Loan up to Rs. 10 lakhs	*: Rs. 500*
Loans above Rs. 10 lakhs up to 25 lakhs	*: Rs.1000*
Loans above Rs. 25 lakhs	*: Rs.2500*
Fee for releasing the charge	*: Rs. 200*

(ii) As of now, there is no legal obligation on the part of the Village authorities to do so. If noting in Thandaper Register is made legally mandatory, it will help to prevent fraudulent transactions.

In the absence of representatives from Revenue Department, the 116th Meeting of SLBC, Kerala held on 22.09.2015 at Trivandrum decided to pursue the matter with Revenue Department.

The 117th Meeting of SLBC, Kerala that met on 18.12.2015 decided to pursue the matter with Revenue Department.

SLBC Cell, vide letter No. SLBC 117 392 GN 2015 dated 24.12.2015 has taken up the matter with Principal Secretary, Revenue Department, Government of Kerala requesting to examine the matter.

The Revenue Department clarified its stand on the matter vide its *letter No.1848/G1/2015/RD dated 20.05.2016 as follows:*

a) For the loans granted by the Banks could not be possible.

b) But, noting of the lien may be made only when revenue recovery proceedings are taken

119th Meeting of SLBC, Kerala held on 30.09.2016 noted that vide letter SLBC /SLRM 2016 / 189/ GN /2016 dated 06.08.2016, SLBC Cell has submitted a speaking note to the Chief Secretary. The forum decided to pursue the matter with Revenue Department.

The Chief Secretary convened a meeting on SLBC pending agenda items with the line Departments on 04.11.2016 and asked the Departments concerned to look into the matter and give a detailed report on the SLBC pending agenda items.

2.3.5. Registration Act, 1908 – State amendment of Section 17 (1) (f)

Government of Kerala has amended certain provisions of the Registration Act, 1908, vide the Registration (Kerala Amendment) Act, 2012, which came into effect from 13.09.2013. Pursuant to the amendment, Sub clauses (g), has been inserted in Section 17 of the Registration Act, 1908, making compulsorily registrable, the "Power of attorney creating any power or right of management, administration, development, transfer or any other transaction relating to immovable property of the value of one hundred rupees and upwards other than those executed in favour of father, mother, wife, husband, son, adopted son, daughter, adopted daughter, brother, sister, son-in-law or daughter-in-law of the executant". This requirement has adversely affected lots of NRI customers. They are necessitated to come to India for registering the power of attorney if it is executed in the name of the any person other than the relatives mentioned above. We are of the view that we may seek exclusion of NRIs from the purview of registration of Power of Attorneys as above. Moreover, in-laws, ie father-in-law, mother-in-law, brother-in-law and sister-in-laws can also be suggested to be included in the list of the relatives mentioned above.

In the Steering Committee Meeting of SLBC Kerala held on 03.06.2015, representative from Registration Department informed that registration act is central act and state amendment can be made by State Government but the process would need Presidential sanction. Department is ready to submit a proposal to Central Government.

The State Level Review Meeting of SLBC, Kerala held on 15th & 22nd June, 2015 concurred with the above and decided to pursue the matter with Registration Department, Government of Kerala.

In the 116th Meeting of SLBC, Kerala held on 22.09.2015 at Trivandrum, Dr. W. R. Reddy, IAS, Principal Secretary, Taxes Department, Government of Kerala informed that Taxes Department had noticed the matter and requested SLBC to submit a formal request with full details as to what exactly the requirement was, so that the Department can take a decision. If it is feasible, then there is no problem for including the in-laws also in the list of relatives mentioned in the clause.

SLBC Cell, vide letter No. SLBC 117 391 GN 2015 dated 24.12.2015 has taken up the matter with Principal Secretary, Taxes Department, Government of Kerala requesting to examine the matter.

The 118th Meeting of SLBC, Kerala held on 14.03.2016 at Trivandrum noted the decision of the agenda came up for discussion in the meeting chaired by the Principal Secretary, Taxes Department held on 13.01.2016 given below.

"The IGR will furnish a concrete proposal on this item, within a week, and Government shall examine the same and take a decision shortly".

The forum decided to pursue the matter with Taxes Department.

119th Meeting of SLBC, Kerala held on 30.09.2016 noted that vide letter SLBC /SLRM 2016/195/GN /2016 dated 09.08.2016, SLBC Cell has submitted a speaking note to Chief Secretary.

Vide letter No.8538/E2/2015/T.D dated 27.09.2016, Taxes (E) Department, Government of Kerala informed that Government have already given a reply to the Convenor, SLBC, that a comprehensive amendment bill of the Registration Act, 1908 is under consideration of the Parliament and Power of Attorney is included as a compulsory registrable document in the said amendment bill and once the said amendment is effected, State Government cannot make amendments contrary to it.

The Chief Secretary convened a meeting on SLBC pending agenda items with the line Departments on 04.11.2016 and asked the Departments concerned to look into the matter and give a detailed report on the SLBC pending agenda items.

2.3.6. Issues relating to Stamp duty on Branch & ATM lease deeds

The Kerala Finance Act of 2014 amended certain provisions in the Kerala Stamp Act of 1959. One such is insertion of a new clause (e) in the Schedule Sl no 5 Agreement or Memorandum of Agreement

As per this clause stamp duty payable on an agreement or memorandum of agreement if relating to installation of an ATM between a bank and the land owner or renewal thereof shall be Rs.2500/- per year.

Grievance of the Banks is that, where a bank takes a building on lease as premises for the Branch office and if we are placing an ATM Machine within this premises, the Sub-Registrars are asking to pay the stamp duty @ Rs.2500 p.a for the ATM space separately.

It is requested that in such cases this additional stamp duty should not be charged.

Representative of the Registration Department informed that the Department shall propose necessary amendment to the article 5 (E) schedule to Kerala Stamp Act 1959.

In the Steering Committee Meeting of SLBC Kerala held on 03.06.2015, representative of the Registration Department informed that the Department shall propose necessary amendment to the article 5 (E) schedule to Kerala Stamp Act 1959. He requested support from banks for making a draft proposal for submitting to Government.

In the 116th Meeting of SLBC, Kerala held on 22.09.2015 at Trivandrum, Dr. W. R. Reddy, IAS, Principal Secretary, Taxes Department, Government of Kerala informed that Taxes Department had examined the issue and the system based on AGs observations while they are doing the audit of local bodies accounts. The issue would be examined and sorted out.

In the absence of representatives from Taxes Department, the 117th Meeting of SLBC, Kerala that met on 18.12.2015 decided to pursue the matter with Taxes Department.

SLBC Cell, vide letter No. SLBC 117 391 GN 2015 dated 24.12.2015 has taken up the matter with Principal Secretary, Taxes Department, Government of Kerala requesting to examine the matter.

The 118th Meeting of SLBC, Kerala held on 14.03.2016 at Trivandrum noted the decision of the agenda came up for discussion in the meeting chaired by the Principal Secretary, Taxes Department held on 13.01.2016 given below.

"The secretary noted that apparently the intention of the provision is not to charge twice, once for the lease deed and a second time for ATM. The IGR may examine this issue and submit within a week for a decision by the Government".

The State Level Review Meeting of SLBC, Kerala held on 27th & 28th June, 2016 decided to pursue the matter with Taxes Department.

Vide letter SLBC /SLRM 2016 / 194/ GN /2016 dated 10.08.2016, SLBC Cell has submitted a speaking note to the Chief Secretary. The substance of the note is:

Now that the matter has received the due attention of the Government and has found a place in the revised budget speech of the Hon'ble Finance Minister for 2016-17 dated 2016 July 8th, we expect that the issue would be resolved soon. The excerpt from the budget speech is reproduced below.

295. The ambiguity prevailing in levying Stamp duty for documents relating to installation of Bank ATMs and Mobile Towers will be rectified by making necessary amendments to the Kerala Stamp Act and Rules.

119th Meeting of SLBC, Kerala held on 30.09.2016 noted that vide letter SLBC /SLRM 2016 / 194/ GN /2016 dated 10.08.2016, SLBC Cell has submitted a speaking note to the Chief Secretary. The forum decided to pursue the matter with Taxes Department.

Vide letter No.8538/E2/2015/T.D dated 27.09.2016, Taxes (E) Department, Government of Kerala informed that the issue has already been considered as per the Finance Bill 2016.

2.3.7. Waiving of stamp duty on loan sanctioned against pension to Senior Citizens

Banks are now providing finance as term loans with higher limits to suit to the urgent needs of various pensioners. For availing such loans, pensioners have to bear the cost of stamps for executing the loan agreements.

Nowadays pensioners or senior citizens are extended many benefits from the Government as Social Security measures. Hence, in this spirit, to avoid penalizing of such expenses from the pensioners' hand, it is proposed the agenda that *Stamp duty can be waived on Loan agreements when the loan is sanctioned against pensions to senior citizens*.

SLBC Cell, vide letter No. SLBC 117 391 GN 2015 dated 24.12.2015 has taken up the matter with Principal Secretary, Taxes Department, Government of Kerala requesting to examine the matter.

The 118th Meeting of SLBC, Kerala held on 14.03.2016 at Trivandrum noted the decision of the agenda came up for discussion in the meeting chaired by the Principal Secretary, Taxes Department held on 13.01.2016 given below.

"The IGR will furnish a proposal in this regard within a week and Government shall take a suitable decision on the matter in consultation with the Finance Department".

The State Level Review Meeting of SLBC, Kerala held on 27th & 28th June, 2016 decided to pursue the matter with Taxes Department.

119th Meeting of SLBC, Kerala held on 30.09.2016 noted that vide letter SLBC /SLRM 2016 / 196/ GN /2016 dated 11.08.2016, SLBC Cell has submitted a speaking note to the Chief Secretary on this matter. The forum decided to pursue the matter with Taxes Department.

Vide letter No.8538/E2/2015/T.D dated 27.09.2016, Taxes (E) Department, Government of Kerala informed that Government have already reduced the stamp duty from Rs.500 to Rs.200, vide Kerala Finance Bill on 29.07.2016, hence Government cannot consider further waiving of stamp duty.

2.3.8. Non availability of Government of India Interest Subsidy on Education loans granted by KSCARD Bank & Non availability of Central & State Governments Interest Subsidy to Education Loans availed from District Co-operative Banks & PACS *(Pending since July 2012)*

(i) Education Loans granted by KSCARD Bank also to be provided with interest subsidy extended

The 116th Meeting of SLBC, Kerala held on 22.09.2015 at Trivandrum noted that the Steering Committee of SLBC Kerala that met on 10.09.2015 noted that the Government of Kerala has written to the Ministry of Human Resources and the reply is awaited. The bank/Co-operative Department may follow up further. In the Steering Committee Meeting, the representative from Planning & Economic Affairs Department informed that the Government of India has requested IIM Bangalore to conduct a study and give report.

The forum decided to pursue the matter.

(ii) In the District Development Council (DDC) Meeting of Kasaragod District held on 30.09.2013, Sri. N. A. Nellikunnu M.L.A. Kasaragod raised the issue of non availability of Central Govt / State Govt Interest Subsidy to Education Loans granted by Co-op. Banks in the District.

It was informed in the DDC that, this issue of Cooperative Banks not coming under the purview of the Interest Subsidy Scheme on Education Loans of the Central Government & State Government has been deliberated time and again in the Block Level Banker's Committee and the District Level Consultative Committee. This matter, as per the decision in the DLRC/BLBC, was also referred to the SLBC, for taking up with Central Government & State Government. It was also informed that SLBC had already taken up the matter with the Government, but there is no favourable response so far.

In the above circumstances, it is requested to take up the matter again with Central/State Government for including District Cooperative Banks & PACS also under the purview of interest subsidy in addition to State Co-operative bank and other scheduled Commercial banks. This will support DCBs and PACS which are extending credit to this sector in a big way and also prevent discrimination of Education Loan borrowers in the matter of interest subsidy.

The 115th Meeting of SLBC, Kerala held on 16.03.2015 at Trivandrum decided that SLBC Cell to collect data from other cooperative banks and make a representation to the Government with Ministry of Finance, Government of India and Planning Department, Government of Kerala.

Vide letter No.6042/F(RO)/2015/Plg dated 01.06.2015 of Planning & Economic Affairs (F) Department, Government of Kerala informed that *"the matter regarding Inclusion of District Cooperative Banks and Primary Agriculture Credit Societies under the Education Loan Interest Subsidy Scheme of State Government has been examined by the State Government thoroughly. In the current financial situation, the State Government is not in a position to take on such huge financial liability. Hence it is not possible for the State Government to include District Cooperative Banks and Primary Agriculture Credit Societies under the Education Loan Interest Subsidy Scheme of the State Government".*

The 116th Meeting of SLBC, Kerala held on 22.09.2015 at Trivandrum noted that vide letter No.6042/F(RO)/2015/Plg dated 01.06.2015 of Planning & Economic Affairs (F) Department, Govt. of Kerala informed that "the matter regarding Inclusion of District Cooperative Banks and Primary Agriculture Credit Societies under the Education Loan Interest Subsidy Scheme of State Government has been examined by the State Government thoroughly. In the current financial situation, the State Government is not in a position to take on such huge financial liability. Hence it is not possible for the State Government to include District Cooperative Banks and Primary Agriculture Credit Societies under the Education Loan Interest Subsidy Scheme of the State Government".

The forum decided to pursue the matter.

In the 117th Meeting of SLBC, Kerala held on 18.12.2015, Sri. Ashok Kumar Singh IAS, Additional Mission Director, PMJDY, Ministry of Finance, informed that Government of India has to take policy decision in this regard.

Sri. V. Prabhakaran Nair, General Manager, Kerala State Cooperative Bank clarified that Government of India had included Kerala State Cooperative Bank under scheduled banks, as such subsidy arrears for 3 years have been cleared. Since Government of India is able to give subsidy to scheduled cooperative banks only, District Cooperative Banks are not getting the subsidy.

Smt. Aparna Prathap, General Manager, KSCARD Bank informed that they are having 20% of the business of the State and they are not getting the Government of India Interest subsidy on Education loans due to the reason that KSCARD Bank is a non-scheduled bank. Government of India has to take favourable decision as early as possible.

The forum requested the KSCARD Bank to take up the matter with Ministry of Finance, Government of India.

SLBC Cell, vide letter No. SLBC 117 393 GN 2015 dated 25.12.2015 has taken up the matter with Additional Chief Secretary, Planning & Economic Affairs Department, Government of Kerala requesting to following up with the Human Resources Ministry of the Government of India to get a favorable decision in the matter.

The State Level Review Meeting of SLBC, Kerala held on 27th & 28th June, 2016 decided to pursue the matter with Planning & Economic Affairs Department, Government of Kerala.

The 119th Meeting of SLBC, Kerala held on 30.09.2016 decided to pursue the matter with Planning & Economic Affairs Department, Government of Kerala.

2.3.9. Loan Waiver Scheme of Scheduled Tribes Development Department

As per the GO (P) No.71/2015/SCSTDD dated 01.10.2015, Government have accorded administrative sanction to implement the Loan Waiver Scheme for the scheduled tribe beneficiaries of Kerala. The project has been designed to write off the debts of the members of scheduled tribes availed from Co-operative institutions, Government Departments, Nationalized Banks, Kudumbashree units amounting up to Rs. 1,00,000/- (Including principal amount, interest, penal interest and other charges) of which the repayment period had expired on 31.03.2014. As per the GO (Ms) No.54/2015/SCSTDD dated 14.07.2015 Kerala State SC/ST Development Corporation Ltd. has been entrusted as the disbursing agency for the implementation of loan waiver scheme.

It is very urgent to implement the project within this financial year and hence it is requested to include "Loan Waiver Scheme of Scheduled Tribes Development Department" as an agenda for the next SLBC meeting in November 2015. It is requested to discuss the procedure to be adopted for the following particulars, for this purpose, in the meeting.

(i) Consolidation and handing over of loan details of Scheduled Tribes (loans as per the conditions applicable) from nationalized banks to SC/ST Development Corporation.

(ii) Mode of transfer of money by SC/ST Development Corporation to banks.

The 117th Meeting of SLBC, Kerala that met on 18.12.2015 noted the following Government Orders provided in the annexure of agenda & background notes.

(i) GO (P) No.71/2015/SCSTDD dated 01.10.2015 - Government have accorded administrative sanction to implement the Loan Waiver Scheme for the scheduled tribe beneficiaries of Kerala. The project has been designed to write off the debts of the members of scheduled tribes availed from Co-operative institutions, Government Departments, Nationalized Banks, Kudumbashree units amounting up to Rs. 1,00,000/- (Including principal amount, interest, penal interest and other charges) of which the repayment period had expired on 31.03.2014.

(ii) GO (Ms) No.54/2015/SCSTDD dated 14.07.2015- Kerala State SC/ST Development Corporation Ltd. has been entrusted as the disbursing agency for the implementation of loan waiver scheme.

The forum noted that the Steering Committee that met on 01.12.2015 deliberated the matter and placed the following suggestions to Scheduled Tribes Development Department.

(i) NPA loan account holders also may be considered
(ii) In case of liability exceeding Rs 1 lakh , if the bank/ financing institution is willing to give a one time settlement/ waiver for the surplus amount , such case should be accepted in the waiver scheme. A letter from the Bank/Financial Institution to that effect may be accepted. The waiver amount shall be transferred to the account subject to the liability being brought down to Rs 1 lakh per the terms of the One time settlement /bank waiver
(iii) The definition of family may be given clarity
(iv) Income Tax payees need not be considered for benefits under the scheme
(v) All Scheduled Commercial Banks may be included

In connection with the operational part of the scheme the Steering Committee has made the following recommendations.

- To adopt the strategy applied in Fishermen debt relief scheme
- The Corporation may invite applications from the concerned borrower
- The loan details may be got certified by the financing institution (Banks- branch Manager, Co-operative societies - The secretary, Government department - the head of the office, Kudumbasree - District Mission Co-ordinator)
- The department may convert the data into an electronically sortable form such as MS excel/spread sheet
- The multiple applications from same family /same applicant may be weeded out
- The claims may be scrutinized and relief amount arrived as on the applicable date
- The finalized list may be circulated to the banks to confirm the correctness of the bank particulars loan account
- Banks shall confirm to the Corporation within a reasonable period
- The bank/ financing institution shall also take a suitable decision on the interest and other charges arising in the account after the applicable date
- Each bank/Institution shall also designate a nodal branch to receive the claim from the Corporation and inform the details
- The corporation shall transfer the amount to the designated branch/office , which in turn shall credit it to the individual accounts within a time frame

The forum noted that Sri. Subrata Biswas, IAS, Additional Chief Secretary, Agriculture Department, Government of Kerala already detailed the matter in his opening remarks. The prime objective of the Government is to clear all the loan liabilities of the tribal people. The matter has been discussed with the officials from SLBC and Department. A format for collecting the data has been worked out and will be sent to banks by Department.

The forum requested all banks to submit the details on receipt of the format.

The Steering Committee that met on 03.03.2016 noted that the format for data collection was circulated to all institutions. The Department informs that claims have been received from the following Banks/Institutions.

1. Canara Bank
2. Kerala Gramin Bank
3. State Bank of Travancore
4. Federal Bank
5. State Bank of India
6. Vellamunda Farmers Service Cooperative Bank
7. Central Bank of India
8. SC/ST Corporation
9. Indian Overseas Bank
10. Kudumbashree Mission

Total of number of accounts covered by these claims is 1878, of which 80% pertains to Wayanad District.

In the meeting, Dr. P. Pugazhendi IFS, Director of ST Development Department informed that an amount of Rs. 2.71 crore was disbursed to 806 beneficiaries belonging to 81 branches of 8 banks. Department has received so far Rs. 9 crores worth claims for 2605 beneficiaries belonging to 97 branches of different banking institution. Rs. 39.52 crores has been allotted by the Government for this particular scheme. He requested to expedite this process and requested all institutions to verify their records and ensure that all eligible accounts are including in the claims submitted. He requested that as per population wise, areas of Wayanad, Idukki, Palakkad districts can be focused little more. He informed that format for collecting the claim amount has been already circulated to all banks. He assured to circulate the panchayat level map to the concerned for taking necessary action.

The steering committee recommended the following:

(i) *Banks may provide list of NPA accounts (including accounts under collection and or such of those accounts removed from balance sheet owing to technical reasons. ie. off balance sheet accounts) which belongs to the targeted group in their perception to the Directorate with copy to Tribal Extension Officers of respective Panchayat latest by March 20, 2016.*

(ii) *The department may circulate the list of the Tribal Extension Officers with contact details for better co ordination at field level*

The State Level Review Meeting of SLBC, Kerala held on 27th & 28th June, 2016 noted that many Banks are yet to submit the final claim. Controlling office of banks may consolidate the claim and submit at the earliest and LDM has to monitor the same.

Dr. P. Pugazhendi IFS, Director of ST Development Department informed that the matter was discussed in the earlier SLBC meeting and Steering Committee Meeting. Rs. 39.52 crore funds earmarked for the particular scheme by Government. Department has disbursed an amount of Rs. 2.71 crores for the liabilities lying with 8 banks constituting 51 branches in Wayanad District only. If a similar special focus is given in other predominantly tribal inhabited districts like Idukki, Palakkad, Malappuram and parts of Trivandrum, it would benefit a lot of people. He requested SLBC to look into the matter and requested all banks to come up with data pertaining to STs who have availed loans.

He added that the ST Development Department is ready to organise district level officers meeting / mela whatever kind of awareness that would be suggested by banks.

Responding to LDM, Wayanad, Dr. P. Pugazhendi IFS, Director of ST Development Department informed that in Wayanad first instalment of Rs. 2.71 crores disbursed to 806 beneficiaries. A total of 2631 beneficiaries with a cumulative amount of Rs. 9.1 crores is pending. He informed that the second instalment would be disbursed at the earliest. Verification process is completed and the same would be released soon.

LDM, Wayanad made an advice to other districts that, LDMs of each districts have to coordinate along with tribal department in this regard, otherwise the cross verification does not happened.

Sri. K. I. Varghese, Chief General Manager, Federal Bank pointed out that waiver is not applicable to private sector banks because the bank have so many claims eligible under the scheme. He requested the ST Development Department to extend the benefit to the private sector banks also.
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Responding to this, Dr. P. Pugazhendi IFS, Director of ST Development Department informed that Department have received claims from two branches pertaining to 4 beneficiaries with an amount of Rs.1.49 lakhs which was under processing.

While referring to the low response from cooperative sector towards the scheme, Sri. V. Prabhakaran Nair, General Manager, Kerala State Cooperative Bank informed that they have already informed the concerned branches to put their claims and the message would be reiterated further.

In the steering committee that met on 2016 September 5th, the Department informed that the scheme was in the implementing stage but the list of scheduled tribe beneficiaries who have availed loan from the banks under the control of Registrar of Co-operative Societies/Co-operative Departments have not been received. Administrative sanction of the scheme was obtained from October 2015 and till date the benefits given only to 955 beneficiaries where as the beneficiaries expected is about 11000. 1/3 of the claims are pending with Service Co-operative Banks. She added that Department have to finish the work at least by December 2016.

SLBC Convenor informed that his office has requested the Secretary Co-operation, to call a joint meeting of the Registrar of Co-operatives, STDD and SLBC to sort out the matter. He also informed that the LDMs of Palakkad, Idukki and Thiruvananthapuram have been instructed to conduct a campaign in the pattern adopted by Wayanad LDM.

The committee requested the ST Development Department to provide the bank branch wise settlement list to SLBC Cell and decided to place it in the SLBC forum for discussion.

The 119th Meeting of SLBC, Kerala held on 30.09.2016requested all banks to take note of the same.

2.3.10. Revenue Recovery Online Platform

The matter came up for discussion in the 119th Meeting of SLBC, Kerala held on 30.09.2016 as suggested by Office of the Commissioner of Land Revenue.

The following points related to Revenue Recovery for further necessary action.

(1) After forwarding RRC, the Banks received arrears from the defaulters directly which leads to loss of collection charges, and fee for demand notice to Revenue Department. It is requested to avoid this.

(2) It is requested to make necessary instructions to all Banks to conduct Talukwise RR Adalaths OTS in association with Revenue authorities especially the Tahsildar concerned. This may be scheduled preferably on August-September or prior to December of every year.

(3) It is requested to give instructions to all Banks to provide correct address of the defaulter including phone number or identity card number if any.

(4) It is requested to inform the details of outsourcing the recovery process to any other agency after submitting Requisition.

(5) RR Online platform – Revenue and Taxes Department has decided to implement RR online with the support of NIC which prepare the software. The pilot project is implemented in Thiruvananthapuram district by August 2016. The training of the nodal officers of various banks has already done. This project may please inform all the members of SLBC.

The forum concurred with the views of the Steering Committee that the following drawbacks in the present RR package may be addressed while launching the new online platform:

1. District wise standalone data base
2. Login id is branch & district specific. So border branches have to apply to each district separately
3. Single level data entry & authentication
4. No provision for online updation (for OTS , Withdrawal etc)
5. No option for administrative offices to monitor progress

The forum also noted that the member banks of the steering committee expressed certain operational difficulties in strictly abiding with the first point of agenda, ie, not to accept recoveries directly after referring to RR.

The forum requested the Revenue Department to examine these issues. The forum decided to pursue the matter with Revenue Department.

3. FRESH ISSUES

3.1. PRIMARY SECTOR

3.1.1. Doubling Farmers' Income by 2022 (Suggested by Reserve Bank of India)

The Government of India in the Union Budget 2016-17 had announced its resolve to double the income of farmers by 2022. SLBC Convener Banks/Lead banks have, accordingly been advised vide our circular FIDD. CO. LBS. BC. No. 16 / 02.01.001/ 2016-17 dated September 29, 2016 (**Annexure-8.40**) to ensure the following:

a) Work closely with NABARD in preparation of Potential Linked Plans (PLPs) & Annual Credit Plans keeping the above objective in focus.

b) Include 'Doubling of Farmer's Income by 2022' as a regular agenda under Lead Bank Scheme in various forums such as SLBC, DCC, DLRC and BLBC.

c) For the purpose of monitoring and reviewing the progress, Lead banks may use the benchmarks as may be provided by NABARD.
d) Map the overall strategy as given in para (2) of the above circular to the agriculture/agro-ancillary lending plan of their bank.

The Steering Committee that met on 19.12.2016 noted the above and decided that NABARD to evolve an appropriate delivery matrix to measure the output and place the matter in the next SLBC meeting.

3.1.2. Multiple financing to Self Help Groups (Suggested by Reserve Bank of India)

Various feedbacks were received during DLRC, BLBC meeting and from Kudumbashree coordinators regarding multiple financing to SHGs. LDMs may prepare a presentation with back ground notes in this regard during SLBC meeting.

The Steering Committee that met on 19.12.2016 observed that strong feedbacks are from various corners regarding multiple financing to SHGs. The committee decided the following:

- *LDMs to conduct a thorough study, collect reliable information and then make their presentation in the SLBC, in its next meeting.*

- *Banks also requested to ensure adding the KYC details of Individual members of the SHG/JLG in the loan master , so that a CIBIL search would reveal the credit history of individual members of the groups , on the model being implemented by Syndicate Bank. Forum requested the Syndicate bank to share the details with SLBC.*

- *The AGM, RBI requested SLBC to place a detailed report to RBI.*

The Committee decided to place the matter in SLBC for discussion.

3.1.3. Implementation of Integrated Dairy Development Programme (IDDP) In Kollam and Ernakulam Districts (Suggested by Directorate of Dairy Development)

As a part of Plan Scheme 2016-17, the department is implementing integrated dairy development programme – IDDP in Kollam and Ernakulam District. The total plan cost is Rs. 1500 lakhs and includes Herd Induction Components and Intensive Fodder Development Components. The programme is expected to cover over 28,000 beneficiaries each Kollam and Ernakulam District.

It is requested that the SLBC make necessary a communication to the banks at Kollam and Ernakulam district for extending loans to the beneficiaries of IDDP implemented in 2 districts narrated above.

Details of components are given below.

INTEGRATED DAIRY DEVELOPMENT PROGRAMME FOR ERNAKULAM AND KOLLAM DISTRICTS									
HEAD OF ACCOUNT : 2404 - 00 - 109 - 93 - 34 OC									
PROJECT	NO. OF UNITS			ONE UNIT		TOTAL UNITS			
				TOTAL COST	UNIT SUBSIDY	TOTAL COST		TOTAL PLAN FUND	
	EKLM	KOLLAM	TOTAL UNITS	Rs	Rs	EKLM Rs in Lakh	KOLLAM Rs in Lakh	EKLM Rs in Lakh	KOLLAM Rs in Lakh
Godhanam (Single Cow)	300	300	600	95000	32000	285.000	285.000	96.000	96.000
2 Cow Unit	240	240	480	190000	64000	456.000	456.000	153.600	153.600
5 Cow Unit	48	50	98	503000	175000	241.440	251.500	84.000	87.500
10 Cow Unit	40	40	80	1046000	350000	418.400	418.400	140.000	140.000
5 Heifer unit	15	15	30	226250	90500	33.938	33.938	13.575	13.575
10 Heifer unit	20	20	40	453000	181200	90.600	90.600	36.240	36.240
GOKULAM Dairy Units	5	4	9	504000	180000	25.200	20.160	9.000	7.200
Mineral Mixture	3000	3000	6000	135	100	4.050	4.050	3.000	3.000
Need Based Assistance to Progressive Dairy farmers	208	200	408	100000	50000	208.000	200.000	104.000	100.000
Assistance for purchase of Milking Machines	50	70	120	50000	25000	25.000	35.000	12.500	17.500
Construction of scientific cattle shed	44	35	79	100000	50000	44.000	35.000	22.000	17.500
Assistance for measures to minimise environmental stress to milch animals	10	15	25	50000	25000	5.000	7.500	2.500	3.750
Fodder cultivation -20 cents & above (Ha)	200	200	400	54500	20000	109.000	109.000	40.000	40.000
Fodder cultivation - below 20 cent (Ha)	100	100	200	54500	7500	54.500	54.500	7.500	7.500
Transportation cost (Fodder)			0			0.400	0.400	0.400	0.400
Assistance for Azolla cultivation	400	150	550	1000	600	4.000	1.500	2.400	0.900
Mechanization & Modernization of fodder cultivation	30	40	70	20000	10000	6.000	8.000	3.000	4.000
Irrigation Assistance	30	40	70	20000	10000	6.000	8.000	3.000	4.000
Vermi Compost Pit	10	10	20	26000	19500	2.600	2.600	1.950	1.950
Silage Units - Tank Silo	10	10	20	16000	12000	1.600	1.600	1.200	1.200
Silage Units - Bag Silo	20	10	30	5000	3750	1.000	0.500	0.750	0.375
Seasonal crops for fodder production (seed cost)	20	10	30	6000	3000	1.200	0.600	0.600	0.300
Assistance to Purchase preserved Dry fodder/fodder grains by DCS	20	10	30	10000	10000	2.000	1.000	2.000	1.000
Fodder cultivation and marketing by women groups (GOPALIKA GROUP)	5	5	10	100000	75000	5.000	5.000	3.750	3.750
Fodder cum Azolla Nursery	3	3	6	150000	90000	4.500	4.500	2.700	2.700
Specialised training programme for beneficiaries and department officers						2.000	3.500	2.000	3.500
Implementation, Documentation Evaluation & Monitoring charges						2.335	2.560	2.335	2.560
SUB TOTAL - IDDP COMPONENTS						2038.763	2040.408	750.000	750.000

The Committee decided that Banks may extend merit based support through existing loan schemes for dairying.

The Committee decided to place the matter in SLBC for discussion.

3.2. SECONDARY SECTOR

3.2.1. Weavers Credit Card Scheme (Suggested by Directorate of Handloom & Textiles)

The Weavers Credit Card Scheme aims at providing adequate and timely assistance from Banking institutions to meet the credit requirements of all weavers and ancillary workers involved in weaving. The various banks have to sanction the applications which have been forwarded to them.

Government have issued directions to sanction finance under PNB Mudra Banking also. But the banks are reluctant to provide the assistance under these schemes.

(1) Programme on Weaver's Credit Card

The target fixed for Weaver's Credit Card during 2016-17 is 2500 numbers. But 47 numbers only have been sanctioned so far. About 1705 applications sent from various districts are pending with banks. Hence banks may be directed to take steps to sanction loans on the pending applications with them for achieving the target fixed for 2016-2017.

Sl. No	Name of Bank	No. of applications sent to Bank in 2015-16	No. of applications pending with Banks as on 31.03.2016	No. of WCCs issued by Bank in 2015-16	No. of applications rejected by the Bank in 2015-16	Total No. of applications pending with Bank (3+4)-(5+6)	Loan amount sanctioned	Loan amount disbursed
1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*
1	SBT	0	706	0	0	706	0.00	0.00
2	SBI	0	87	0	0	87	0.00	0.00
3	Syndicate Bank	0	105	0	0	105	0.00	0.00
4	Andhra Bank	0	76	0	0	76	0.00	0.00
5	Bank of Baroda	0	1	0	0	1	0.00	0.00
6	Canara Bank	0	182	26	0	156	12.05	11.75
7	Corporation Bank	0	40	0	0	40	0.00	0.00
8	Indian Bank	0	68	0	0	68	0.00	0.00
9	Union Bank of India	0	4	0	0	4	0.00	0.00
10	Vijaya Bank	0	5	0	0	5	0.00	0.00
11	Bank of India	0	231	0	0	231	0.00	0.00
12	Punjab National Bank	0	58	0	0	58	0.00	0.00
13	Indian Overseas Bank	0	100	7	0	93	2.00	2.00
14	UCO Bank	0	0	0	0	0	0.00	0.00
15	Dena Bank	0	0	0	0	0	0.00	0.00
16	Central Bank of India	0	6	0	0	6	0.00	0.00
17	State Bank of Mysore	0	4	0	0	4	0.00	0.00
18	Kerala Gramin Bank	0	65	0	0	65	0.00	0.00
	Total	**0**	**1738**	**33**	**0**	**1705**	**14.05**	**13.75**

The Steering Committee that met on 19.12.2016 noted the progress under Weavers Credit Card provided in the Agenda.

The representative from Directorate of Handloom & Textiles informed that loan pendency is more in Palakkad and Kannur Districts.

The Committee requested that Directorate of Handloom & Textiles to provide the softcopy of bank-branch wise pending list in excel format for follow up.

The Committee decided to place the matter in SLBC for discussion.

3.3. TERTIARY SECTOR

3.3.1. Not meeting the prescribed targets for FL Camps - The FLCs/rural branches (Suggested by Reserve Bank of India)

Please see **Annexures-8.41 & 8.42** for details of accomplishment / deficiencies in achievement of prescribed targets by FLCs/ rural branches in Kerala.

The Steering Committee that met on 19.12.2016, noted the details of accomplishment / deficiencies in achievement of prescribed targets by FLCs/ rural branches in Kerala provided in the annexure.

In the meeting, RBI, AGM informed that the cause of concern is (i) whatever targets prescribed by RBI is not achieved (ii) RBI is not able to assess the functioning of FLCs due to misreporting.

The Steering Committee decided that:

- *Controlling Offices of Banks to instruct their FLCs & Rural branches in this regard. Banks to take random check and find out the effectiveness of FLCs and ensure reporting. In this regard RBI had addressed email communication to the banks on instances of misreporting.*
- *FLCs shall be effectively trained for dispensing financial literacy on Digital banking*
- *The SLBC shall impart training to FLCs on the subject with assistance of faculties drawn from various banks. Individual banks to take lead in conducting camps/training in their pockets.*

The Committee decided to place the matter in SLBC for discussion.

3.3.2. BC Model- concerns / suggestions (Suggested by Reserve Bank of India)

The concerns / suggestions put forth by Akshaya District Project Office (ADPO), Wayanad may be considered for incorporation as Agenda of 120th Meeting of SLBC. This may be discussed along with the Agenda item concerning formation of sub-committee for revamping BC model (An action point in 119th SLBC Meeting).The suggestions as received from ADPO are furnished in the **Annexure-8.43.**

Akshaya also has brought to the notice the issues faced by them in the affairs of the banking kiosks which is provided in **Annexure-8.44.**

The Steering Committee that met on 19.12.2016 noted the BC model concerns/suggestions provided in the annexure and observed the following:

- *The Sub-Committee meeting proposed in the previous SLBC meeting could not be conducted*
- *A Specific solution has to be found out*

- *With reference to a highly banked state like Kerala the present fixed model BC has limited utility.*
- *Akshaya may come up with a mobile BC platform with in 2017 January*

The forum felt that in a highly banked state like Kerala the present fixed model BC has limited utility It requested the Akshaya to come up with a mobile BC platform to convert the present Fixed Kiosk model to mobile bank mitras.

The representative from Akshaya informed that they shall submit a detailed report on these lines, in consultation with their higher ups, within 31st January, 2017.

The Committee decided to place the matter in SLBC for discussion.

3.3.3. Non-attendance of bankers/ Government officials in various fora under LBS
(Suggested by Reserve Bank of India)

(1) Habitual non- attendance of bankers including major banks like SBI etc. in BLBC meetings.
(2) Habitual non- attendance of bankers including major banks like SBI etc. in DCC/DLRC meetings.
(3) Habitual non-submission of compulsory returns like LBR, GBS etc. by bankers.
(4) Gross absence or improper deputation of govt. officials to BLBC, DCC/DLRC meetings.

In the Steering Committee Meeting held on 19.12.2016, RBI, AGM informed that habitual non attendance of bankers/Government officials in DLRC/DCC/BLBC meetings is viewed seriously.

The Committee made the following observations/suggestions:

- *Consecutive absence in two meeting shall be treated as Habitual non- attendance*
- *This is more in BLBC meetings*
- *There is also Habitual non-submission of compulsory returns*
- *Improper deputation is also seen.*

The steering committee recommended that the LDMs shall report such instances to SLBC. SLBC shall publish in the quarterly booklet and also will report to RBI for addressing letters to the State Controlling/Head offices.

The Committee decided to place the matter in SLBC for necessary action by banks/Departments to convey the matter to the down the line appropriately.

3.3.4. Agenda items suggested by Directorate of Scheduled Caste Development Department

(1) **E-grantz -** Instances are many where the applications submitted through 'Akshaya' centres are rejected due to entry of incorrect account numbers. To dispense with this difficulty, provision for bank link may be introduced in the e-grantz site for verifying Name, Address, A/c No., IFSC code etc of students.

The Steering Committee that met on 19.12.2016 observed that:

- *It needs to be examined whether providing this facility in e-grantz portal will compromise security.*

- *Practical solution is to obtain a/c pass book, a/c statement/ cancelled cheque leaf to get correct a/c no. & IFSC code at the time of data entry to ensure correctness*

(2) The provision may be included in the SBI site for uploading the Adhaar Number for distribution of grants centrally Sponsored Schemes (CSS) to the beneficiaries.

The Steering Committee recommended that:

- Aadhaar seeding & NPCI mapping are options to be exercised by account holder directly.

- Whether providing Aadhaar seeding facility in E-grantz portal will compromise security is to be examined.

- practical option for a/c holder is to use any of following
  - ✓ Visiting home branch or any other branch
  - ✓ Through ATMs
  - ✓ Through Internet banking
  - ✓ Through mobile banking & SMS facility
  - ✓ Through any Business correspondent of bank

(3) Scheduled Castes beneficiaries may be given exemption from payment of penal interest in respect of loan availed by them.

The Steering Committee opined that the matter is beyond the purview of SLBC forum. Any facility should not be an incentive to non repayment.

The Committee decided to place the matter in SLBC for discussion.

3.3.5. Proposal for Initiating a Bank Loan Scheme for Renewable Energy Systems
(Suggested by ANERT)

Loan for Renewable energy systems – collaboration with ANERT

ANERT, the State Government Agency under the Department of Power, Government of Kerala is the institution entrusted with the coordination of implementation and promotion of new & renewable energy systems (RES), in the State. ANERT is also designated as the State Nodal Agency (SNA) of the Ministry of New & Renewable Energy (MNRE), Govt of India, for channelizing the Central Financial Assistance (CFA) for various RE projects. ANERT has a state budget of around Rs 44 crores per year.

ANERT through its budgetary provision from the State Plan Funds, generally design schemes for promotion of RES particularly relevant for Kerala, by providing subsidy ranging from 15% to 70% for different systems, in addition to the CFA for schemes under Central Government Schemes. However the total dependence on the Central and State Government funds has the limitation of restricting the annual capacity addition and physical achievement in the field of renewable energy, in two ways. Firstly as the physical target or the number of beneficiaries are to be normally limited to the range from 1500 numbers to 10,000 numbers depending upon the total budget provision and the unit subsidy fixed for the individual projects. Secondly, when the subsidy component of a system, with a total system cost of Rs 1,75,000/- is in the order of Rs75000/-, the beneficiary has to invest around Rs 1 lakh as one installment. Need for such a high one-time payment prohibits more people to go for RES. This demands interventions enabling the beneficiary to access the RES by their own.

In this circumstance, ANERT wish to collaborate with Banks who can provide loan for RES, in order to augment the annual renewable energy capacity addition in the State by increasing the number of people using RES by providing a relief to them by way of payments in installments.

In this regard, ANERT would provide the Banks with the list of systems, its technical specifications to be followed and the list of approved vendors. ANERT could also do periodic random inspections to see that systems are properly installed/ commissioned and renew approvals to vendors accordingly. ANERT can also participate in consumer meets organized by Banks to make people aware of such systems and also can organize exhibition in Bank's premises, as well as undertake an orientation program for the Bank officers involved in processing such loan schemes.

Proposal for Initiating a Bank Loan Scheme for Renewable Energy Systems

<u>Back ground Note</u>

- ANERT could boast of achieving renewable energy installations ranging from not less than 10 Lakhs of improved cook stoves, 30000sqm collector area Solar Water Heating Systems, 10 Mega Watts of electricity generation capacity addition through of Solar Power Plants, 50000 cu.M of Biogas generation units etc., in the State of Kerala. However considering the renewable energy potential of the State as well as the number of houses and institutions requiring such installations, what achieved already is only a fraction of what is possible and realized.
- 30 years of subsidy driven programmes – both by the Central & State governments, though could create installations scattered across the State, failed to establish a credible, authoritative institutional mechanism which could increase the intellectual capital in this domain and advance the business case for RE.
- Tinkering with the present system would not suffice to fetch expected results, rather, a professional turn-around of its policies and programmes are to be attempted with strategic partnerships with other Govt departments / agencies/ PSUs, etc., addressing their needs/ issues and harnessing the potential of all its stakeholders. Repeating the same programs with minor changes in subsidy levels and delivery pattern cannot yield different but desirable results.
- With a mix of following facilitation/support services from ANERT and a mix of different drivers like state/LSG subsidy, CFA, incentives, soft loan, interest free loan, recognizing social/green commitment of RE consumers, etc., targets for 13th plan period is fixed as given below; to be implemented in mass campaign mode.
  - Renewable Energy (RE) Facilitation Centres in all Districts
  - Trained/certified Renewable Energy Technicians/ integrators
  - RE Branding / Award, to recognize excellence, commitment & document/disseminate best practices
  - Empanelment of RE systems/vendors, Incentives for intermediaries, RE systems census, RE Insurance for different systems/ empanelled technicians & dedicated RE Fund to promote business in RE in Kerala
  - RE Research & Studies; installing demo projects, giving thrust towards different types of storage systems (hydrogen/battery), micro grids, battery integrated SPV systems to mitigate the variability nature, etc.; resource assessment – wind micro-sitting, biomass potential, etc.
  - RE public engagement, with toll-free numbers, dedicated web portal, mobile apps, literature, short films, mobile exhibition units, etc; to support innovations & RE integration with Rural Technology
  - RE Club/Forum for stakeholder consultations
  - RE Consulting & Project Management Cell – to take up more turn-key/consultancy works to gain/strengthen the field experience, with due motivation to the team

- Targets for the 13th Plan period in Renewable Energy Sector would be as below:-
  - 10 lakh cu.m/day capacity biogas plants
  - 10 lakh numbers of improved chulha
  - 10 lakh solar street lights, pumps, small wind/wind-hybrid systems
  - 10 lakh roof top solar systems/ 500 MW from Solar energy
  - 100 lakh lpd equivalent solar water heating systems
  - 100 MW from Wind Energy projects

  in Target sectors like: - Households, Industries, Hotels, Hospitals including PHC/CHC, Govt buildings (all departments including revenue, police, health, etc.), educational institutions, LSGIs, etc.

- The unit costs of systems at present is as follows:

Grid-connected Solar Power Plants	Rs. 75,000/- per kW
Off-grid Solar Power Plants	Rs. 1,50,000/- per kW
Solar Home Lighting systems	Rs. 24,989/-
Solar Lanterns	Rs. 2,189/-
Solar Pumps	Rs. 1,50,000/ per HP
Solar Water Heaters ETC model	Rs.20,000/- per 100LPD
Solar Water Heaters FPC model	Rs.30,000/- per 100LPD
Biogas Plants (1cum domestic units)	Rs.17,500/-
Large Biogas Plants (>2-6 cuM)	Rs.30,000/- to 70,000/-
Improved Firewood Chulhas	Rs.2,800/-

A befitting bank loan scheme would make these systems more accessible and acceptable for the public.

The Steering Committee that met on 19.12.2016 observed that Banks already have schemes for financing solar energy harvesting projects like

- *Solar pump loans for irrigation*
- *Loan for Solar home lighting system*
- *Solar equipment financing scheme*
- *Housing cum solar loan etc*

The Committee decided that ANERT may integrate its schemes with these existing bank schemes and also ensure that,

- ✓ *unit costs are reasonable & aligned with ranges prescribed in these schemes*
- ✓ *suppliers of equipments/turnkey service providers supply reliable materials & services*
- ✓ *After sales services are available for period covering bank loan*

The Committee directed SLBC cell to collect the details of existing schemes from various banks and provide the same to ANERT.

3.3.6. Implementation of PMEGP 2016-17: Status and Pending Issues (Suggested by KVIC)

Prime Ministers Employment Generation Programme (PMEGP) of the Ministry of MSME, Govt. of India, IS implementing from 2007-08 onwards promoting self-enterprises in Micro Sector. KVIC, KVIB and DIC are the implementing agencies coordinating with banks in identifying first generation entrepreneurs and releasing eligible Margin Money. Up to 30.06.2016, the subsidy administration has been made at state level through nodal banks. From 1st July 2016 onwards, the programme has made a paradigm shift by going Online with the facility for uploading applications, processing, claiming and disbursement of eligible central subsidy through a link provided. The existing nodal bank system at state level has been withdrawn and a single point subsidy disbursement at national level through Corporation Bank-Fort-Mumbai branch established.

As on 30.06.2016, those spill over claims of 2015-16 amounting to Rs 1194.46 lakhs has been settled through the state level nodal banks and still late reported claims of the banks across all implementing agencies are directly uploaded to the Corporation Bank portal by KVIC and they have successfully released Rs 442.46 lakhs to 205 cases as on 30.10.2016. The remaining are under process for clearing the short comings with banks for successful uploading.

Regarding operation of new PMEGP online portal, an Orientation Training has been conducted by to the channel partners, attended by LDMs, Controlling Offices, IA reps etc on 22.07.2016. Though 50% of the target earmarked for 2016-17 (Rs 2826.67) has been attained through spill over achievements, but remaining has to be achieved. Online applications received under new online portal has been subjected to selection process by the District level Task Force Committee (DLTFC) and forwarded to the banks for consideration. In this matter, the following points are brought to the notice of SLBC

1. Banks may take a credit decision on the proposals recommended within a reasonable time frame. Holding the project beyond the financial year is may not be permitted.

2. Applications from SC/ST is a concern for the state and all the implementing agencies are finding difficulty in sponsoring required number of projects to banks. Banks may evolve an appropriate redressal mechanism to monitor the sanction/rejection.

3. As the eligibility of PMEGP Margin Money is restricted to working units only, and the Govt agencies (like CAG) are recommending recoveries of the same, the banks may be advised to refund the same. In the case of reasons beyond the control of beneficiary, adjustment of Margin Money is permitted, whereas whenever cheating (like not set up, non-traceable etc), necessary FIR may be initiated against the concerned jointly by bank and IA.

Monitoring of the programme has been made easy with the introduction of Online PMEGP. By login to **www.kviconline.gov.in/pmegpeportal**a dashboard is provided on the home page, which will lead to an MIS portal. LDMs, Controlling Banks, SLBC, IAs can login to the same with **username : kl** and also **password : kl**. A mere double click on any of the cell will provide detailed information showing IA wise or district wise or bank wise information. Further, All banks have assigned a Nodal Officer at national level for co-ordination and interaction which is given in **Annexure-8.45**.

The Steering Committee that met on 19.12.2016 observed that 1795 applications were forwarded to banks, of which only 101 were marked as disposed off by banks in the PMEGP e tracking portal. Therefore 1694 applications were seen as pending in the portal A random verification made by SLBC showed that:

- *Many shown as pending in portal are either sanctioned/rejected*
- *But the bank branch/ processing hub has not updated in portal*
- *Margin money claim for such cases are also not pushed through*
- *It is to be claimed online to nodal bank (Corporation Bank)*

This can have the following fall outs:

- *Our performance will be rated as poor*
- *If subsidy claim is not submitted online, the bank may not get it.*

Therefore Controlling Offices to act on the following lines:

- *Follow up with branches to update the status of all the sanctioned / rejected cases in the E tracking portal immediately*
- *Advise the branches processing cells to push the subsidy(margin money) claims to the nodal bank , online*
- *Dispose pending applications based on merits and target of the bank (The process need to be updated in the portal also)*
- *Preference may be given to SC/ST applications for achieving the target*

KVIC has also informed that:

- *Whenever cheating (like not set up, non-traceable etc), necessary FIR may be initiated against the concerned jointly by bank and IA.*
- *Previous years pending MM claims if any may be submitted to KVIC state office immediately (before 30th December 2016)*

3.3.7. Digital banking - Model Village Mission (Suggested by SLBC Convenor)

To promote Digital Banking it is suggested to conduct a Model Village Mission, covering all the districts of the state, during the 4th quarter of 2016-17. Through this campaign, we intend to make as a pilot, one LSG Ward in in every district (preferably a grama panchayat ward) shall be made 100 % digital in banking facilities. This ward will serve as a show case model for the entire district. The campaign shall aim at promoting digital payment systems such as Debit Cards, USSD based mobile banking, AEPS, Micro ATM transactions, UPI, Wallets, Physical & Mobile POS and Virtual POS

The proposed action plan is:

1. The LDM in consultation with District administration shall select one progressive LSG ward in the District (preferably a GP ward)

2. Progressiveness shall be measured by way of literacy level, compactness of area, connectivity, banking penetration, mobile penetration, support of the Local representatives etc.

3. He shall make a survey of the existing digital banking services available and make an assessment of the input requirements (Such as bank wise requirement of POS machines , Debit Cards , ATMs , micro ATMS, VPOS etc, aadhaar seeding gap, training requirements, Governmental support etc)

4. Based on the assessment, he shall draw a plan and get it approved in DCC

5. SLBC shall aggregate the plans of all the district and co ordinate at state level with banks and Government for smooth implementation of the mission

6. The SLBC & RBI shall devise a measurable matrix for assessing the outcome and spear head the mission

7. The time frame shall be proposed in consultation with Steering committee

The Steering Committee that met on 19.12.2016 noted the Digital payment systems - Debit Cards, USSD, AEPS, Micro ATM, UPI, Wallets, Physical & Mobile POS, Virtual POS and decided the following Action Plan.

1) *LDM & District administration to identify one progressive LSG ward (preferably a GP ward)*
2) *Survey existing digital banking services & assess requirements*
3) *LDM to draw an action plan approved in DCC*
4) *SLBC aggregates the plans of all districts & coordinate*
5) *RBI opined that a clear matrix may be developed to track the outcome so that the programme becomes more meaningful. Such a matrix would facilitate objective assessment of the outcome at a later stage.*
6) *Time frame may be suggested by Steering committee*

The Committee directed SLBC Cell to conduct a separate meeting of the technical teams of major banks to discuss the focus areas, strategies and calendar.

3.4. INFORMATION NOTES

3.4.1. Credit facilities to Minority communities (Information Note by Reserve Bank of India)

Circular FIDD. GSSD. BC. No. 15 /09.10.01/2016 - 17 dated September 26, 2016 on 'Credit Facilities to Minority Communities - Modification' has been issued whereby the words 'Ministry of Welfare' in para 2.1 and 5.5 of the Master Circular on Credit Facilities to Minority Communities have been replaced by 'Ministry of Minority Affairs'.

The Steering Committee that met on 19.12.2016 decided to place the matter in SLBC for information.

3.4.2. Priority Sector Lending - Targets and Classification: Lending to non-corporate farmers - System wide average of last three years (Information Note by Reserve Bank of India)

The revised priority sector lending guidelines were issued in April 2015. In continuation of these instructions, Banks were directed in July 2015 to ensure that their overall direct lending to non-corporate farmers does not fall below the system-wide average of the last three years achievement, failing which they will attract the usual penalties for shortfall. Further, Banks were informed that the system-wide average of the last three years achievement with regard to overall direct lending to non-corporate farmers will be notified by the Reserve Bank each year.

In this connection, Circular FIDD.CO.Plan.BC.14/ 04.09.01/2016-17 dated September 01, 2016 has been issued whereby the applicable system **wide average figure of 11.70 percent** (for computing achievement under priority sector lending for the FY 2016- 17) was communicated to all domestic scheduled commercial banks.

The Steering Committee that met on 19.12.2016 decided to place the matter in SLBC for information.

3.4.3. Pradhan Mantri Fasal Bima Yojna - Non-feeding of data by bank branches in the Crop Insurance Portal of MoA & FW (Information Note by Reserve Bank of India)

Please refer to our circular FIDD.No.FSD.BC20/05.10.007/2015-16 dated March 17, 2016 advising Banks to ensure strict compliance of the provisions of the Pradhan Mantri Fasal Bima Yojna and ensure coverage of 100% of defined loanee farmers along with good number of non-loanee farmers to achieve the defined objectives and targets fixed under the scheme. As per the PMFBY operational guidelines of the Government of India, banks are also expected to capture all relevant data including land and crop details of all loanee farmers and non-loanee farmers availing crop insurance through the branches.

Ministry of Agriculture & Farmers Welfare has since advised all banks to enter farmer details in the unified portal for crop insurance which is available at www.agri-insurance.gov.in.

It has been brought to our notice that entries are not being made by the bank branches in the portal. Resultantly, MoA & FW, State Governments etc. are not able to cull out any data leading to difficulties in assessment of coverage of crops insured, premiums deducted, etc. **You are therefore advised to issue necessary instructions to your branches to feed the relevant data in the portal at the earliest.**

The Steering Committee that met on 19.12.2016 decided to place the matter in SLBC for information.

3.4.4. Union Budget – 2016-17- Interest Subvention Scheme (Information Note by Reserve Bank of India)

As directed by Government of India and in pursuance of the budget announcement relating to interest subvention scheme 2016-17, all public and private scheduled commercial banks have been advised vide our circular FIDD.CO.FSD.BC.No 9/05.02.001/2016-17 dated August 4, 2016 regarding interest subvention scheme (2%) 2016-17 for providing short term crop loans upto Rs 3 Lakh at a reasonable cost/at a reduced rate of 7% p.a. to farmers. In terms of the scheme, besides 2% interest subvention,3% incentive is given for prompt repayment of loan reducing the cost to 4%. In order to discourage distress sale by farmers and to encourage them to store their produce in warehouses against warehouse receipts, the benefit of interest subvention will be available to small and marginal farmers having Kisan Credit Card for a further period of six months post-harvest. To provide relief to farmers affected by natural calamities interest subvention of 2% is available for the first year of restructured amount.

The Steering Committee that met on 19.12.2016 decided to place the matter in SLBC for information.

3.4.5. Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM) – Aajeevika - Interest Subvention Scheme (Information Note by Reserve Bank of India)

Please refer to our circular FIDD.GSSD.CO.BC.NO. 19/09.01.03/2015-16 dated January 21, 2016 on interest subvention scheme under National Rural Livelihoods Mission (NRLM).The revised guidelines for the year 2016-17 on Interest Subvention Scheme under DAY- NRLM, as received from the Ministry of Rural Development, Government of India, were circulated vide FIDD.GSSD.CO.BC.No.13/09.01.03/2016-17 dated August 25, 2016 for implementation by all Public Sector Banks and 15 Private Sector Banks.

The Steering Committee that met on 19.12.2016 decided to place the matter in SLBC for information.

3.4.6. Revised Kisan Credit Card (KCC) Scheme (Information Note by Reserve Bank of India)

Please refer to our circular RPCD.FSD.BC.No.23/05.05.09/2012-13 dated August 7, 2012 on the above subject. It has been decided to make certain changes in Para 13 of the revised KCC Scheme as indicated below. The modification was issued vide FIDD.FSD.BC.No.18/05.05.010/2016-17 dated October 13, 2016. All banks are advised to take note of the modified instructions and implement the same with immediate effect.

Particulars	**Instructions as per Circular** RPCD.FSD.BC.No.23/05.05.09/2012-13 dated August 7, 2012	**Modified Instructions**
Para 13 Other Features	13.ii Besides the mandatory crop insurance, the KCC holder should have the option to take benefit of Assets Insurance, Personal Accident Insurance Scheme (PAIS), and Health Insurance (wherever product is available) and have premium paid through his KCC account. Necessary premium will have to be paid on the basis of agreed ratio between bank and farmer to the insurance companies from KCC accounts. Farmer beneficiaries should be made aware of the insurance cover available and their consent (except in case of crop insurance, it being mandatory) is to be obtained, at the application stage itself	13.ii Besides the mandatory crop insurance, the KCC holder should have the option to take benefit of any type of Assets Insurance, Accident Insurance (including PAIS), and Health Insurance (wherever product is available) and have premium paid through his KCC account. Premium has to be borne by farmers/bank according to the terms of the Scheme. Farmer beneficiaries should be made aware of the insurance cover available and their consent (except in case of crop insurance, it being mandatory) is to be obtained, at the application stage itself.

The Steering Committee that met on 19.12.2016 decided to place the matter in SLBC for information.

4. Review of Performance under Priority Sector Advances

4.1. Review of Priority Sector Advances (Disbursement) as at September 2016 - ACP 2016-17 achievements (Refer Annexures 8.11 & 8.12)

The performance of banks with reference to the Annual Credit Plan 2016-17 as at September 2016 with Bank wise and District wise break up is furnished in the annexure. The abstract of the performance as at September 2016 under ACP 2016-17, is as follows.

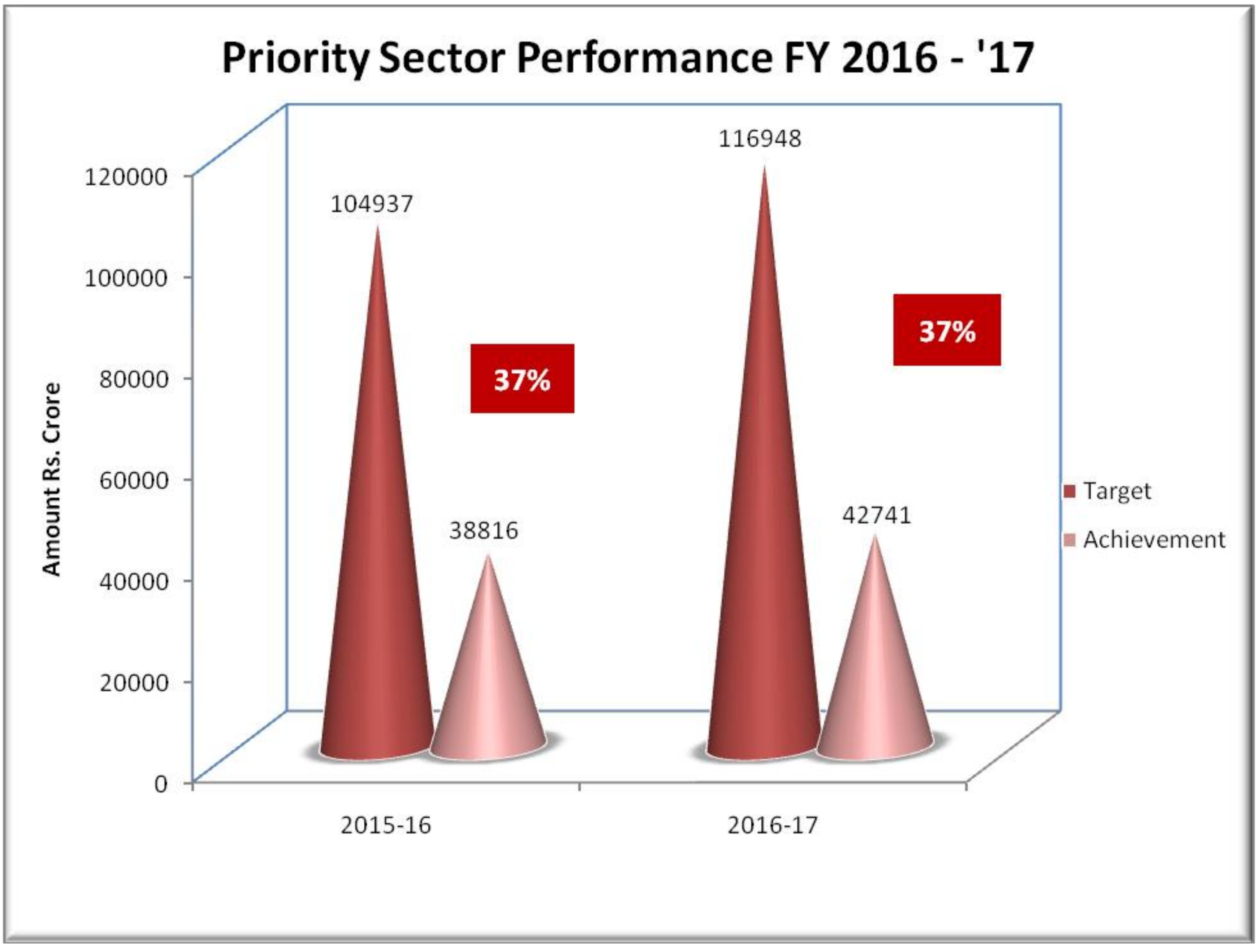
(Rs. in Crores)

Bank / Banking Group	Primary Sector			Secondary sector			Tertiary Sector			Total Priority Sector Advances		
	Target	Ach.	% Ach.	Target	Ach.	% Ach.	Target	Ach.	% Ach.	Target	Ach.	% Ach.
State Bank Group	9729	2867	29	4489	1386	31	5020	1947	39	19238	6200	32
Nationalized Banks	13271	6145	46	6905	1613	23	6929	1786	26	27105	9544	35
RRB	4935	4456	90	1926	469	24	1726	458	27	8588	5383	63
Private Sector Banks	8815	3586	41	6147	1892	31	5409	1357	25	20371	6834	34
Cooperatives	17516	5210	30	6999	2236	32	16591	7185	43	41106	14631	36
KFC	0.20	0.13	65	455	117	26	86	32	37	541	149	27
Total	**54266**	**22264**	**41**	**26921**	**7713**	**29**	**35762**	**12764**	**36**	**116948**	**42741**	**37**
% to Total Disbursement	XX	52%	XX	XX	18%	XX	XX	30%	XX	XX	100%	XX

4.1.1. Overall Performance under Annual Credit Plan

(Rs. in Crores)

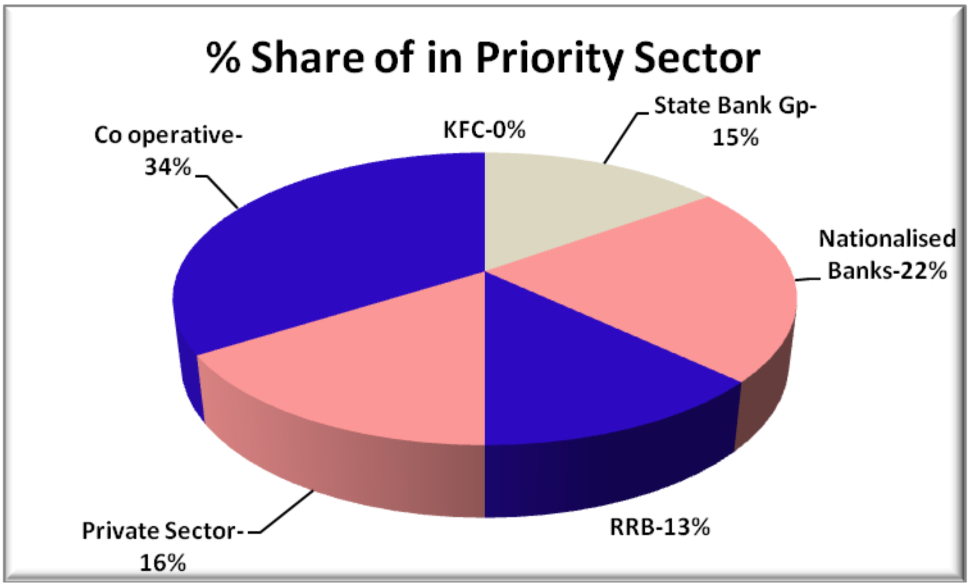
Priority Sector	2015-16	2016-17
Target for the whole year	104937	116948
Achievement of Q2	38816	42741
% of achievement for Q2	37	37



4.1.1.1. Banking GroupWise Performance under Priority Sector

(Rs. in Crores)

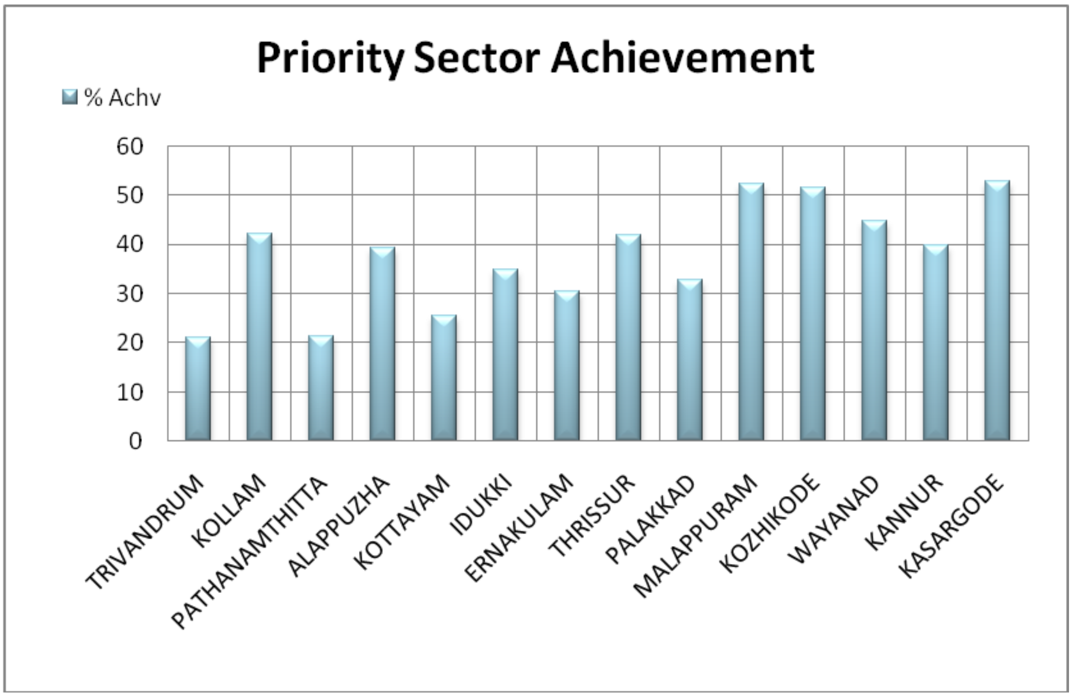
Banking Group	Priority Sector Disbursement	% Share in Priority Sector Disbursement	% Achievement of the target
State Bank Group	6200	15	32
Nationalized Banks	9544	22	35
RRB	5383	13	63
Private Sector Banks	6834	16	34
Co-operatives	14631	34	36
KFC	149	0	27
STATE TOTAL	**42741**	**100**	**37**



4.1.1.2. District wise Performance under Priority Sector

(Rs. in Crores)

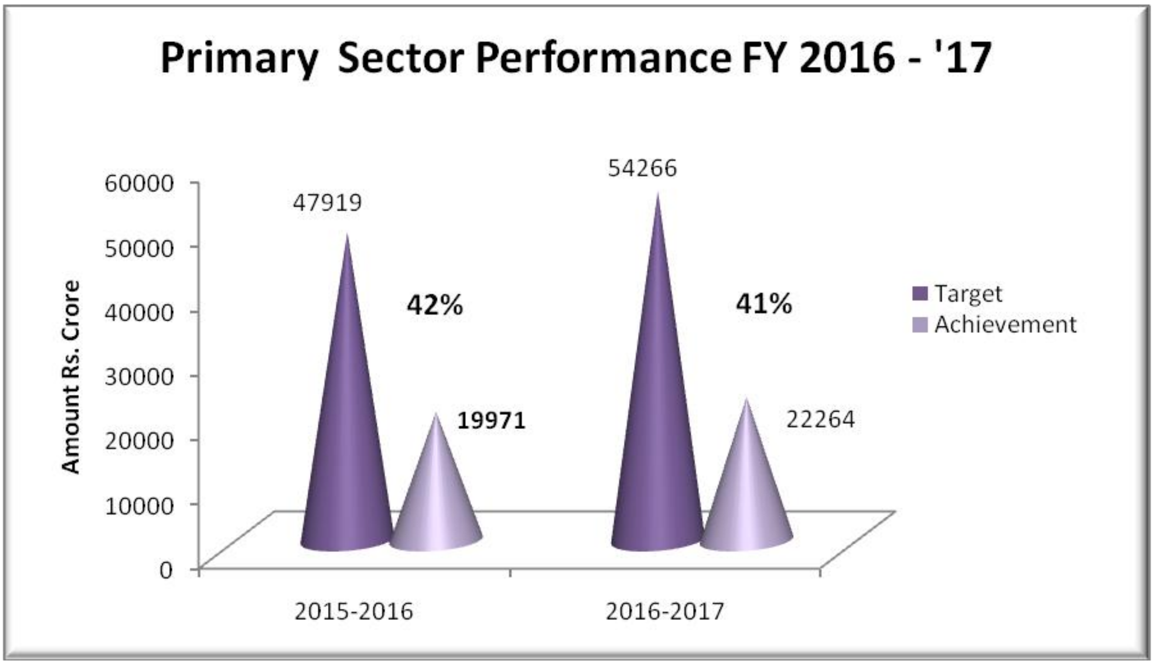
Sl. No.	District	Target for 2016-17	Achievement of Q2	% Achievement
1	TRIVANDRUM	9390	1972	21
2	KOLLAM	8632	3638	42
3	PATHANAMTHITTA	5476	1163	21
4	ALAPPUZHA	6661	2625	39
5	KOTTAYAM	9616	2456	26
6	IDUKKI	5401	1878	35
7	ERNAKULAM	15992	4880	31
8	THRISSUR	12700	5330	42
9	PALAKKAD	10831	3541	33
10	MALAPPURAM	6916	3621	52
11	KOZHIKODE	7661	3947	52
12	WAYANAD	3600	1608	45
13	KANNUR	10371	4131	40
14	KASARGODE	3703	1952	53
TOTAL		**116948**	**42741**	**37**



4.1.2. Performance under Primary Sector

(Rs. in Crores)

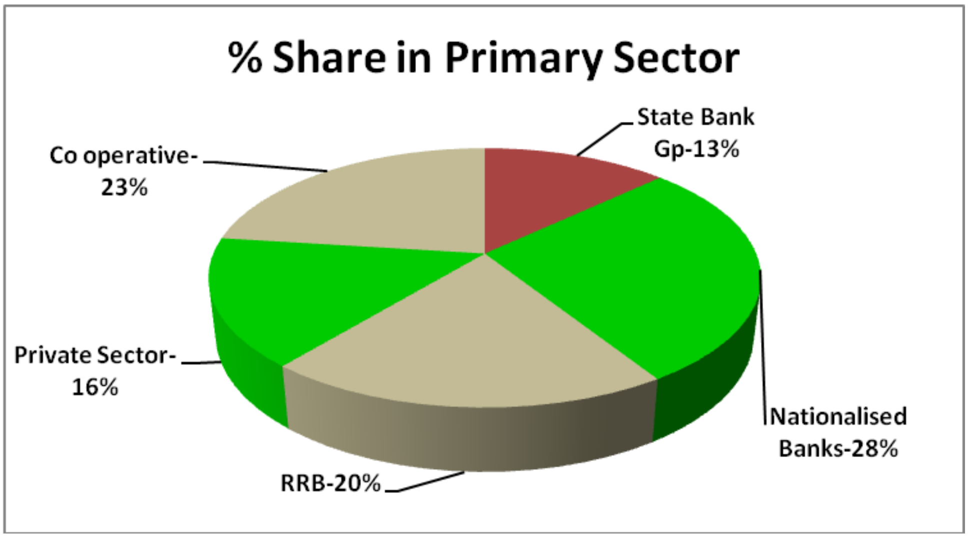
Parameter	2015-2016	2016-2017
Target for the whole year	47919	54266
Achievement of Q2	19971	22264
% of achievement for Q2	42	41



4.1.2.1. Banking GroupWise Performance under Primary Sector

(Rs. in Crores)

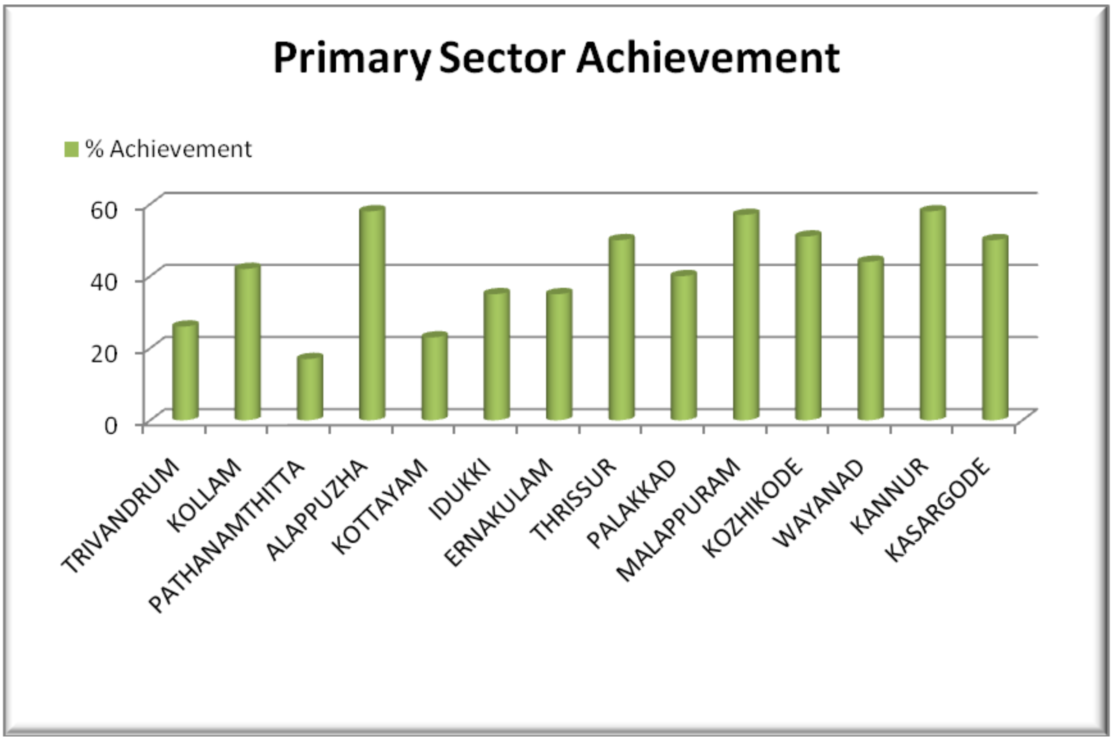
Banking Group	Disbursement for Q2	% Share in Total Disbursement	% Achievement of the target
State Bank Group	2867	13	29
Nationalized Banks	6145	28	46
RRB	4456	20	90
Private Sector Banks	3586	16	41
Co-operatives	5210	23	30
KFC	0.13	0	65
STATE TOTAL	**22264**	**100**	**41**



4.1.2.2. District wise Performance under Primary Sector

(Rs. in Crores)

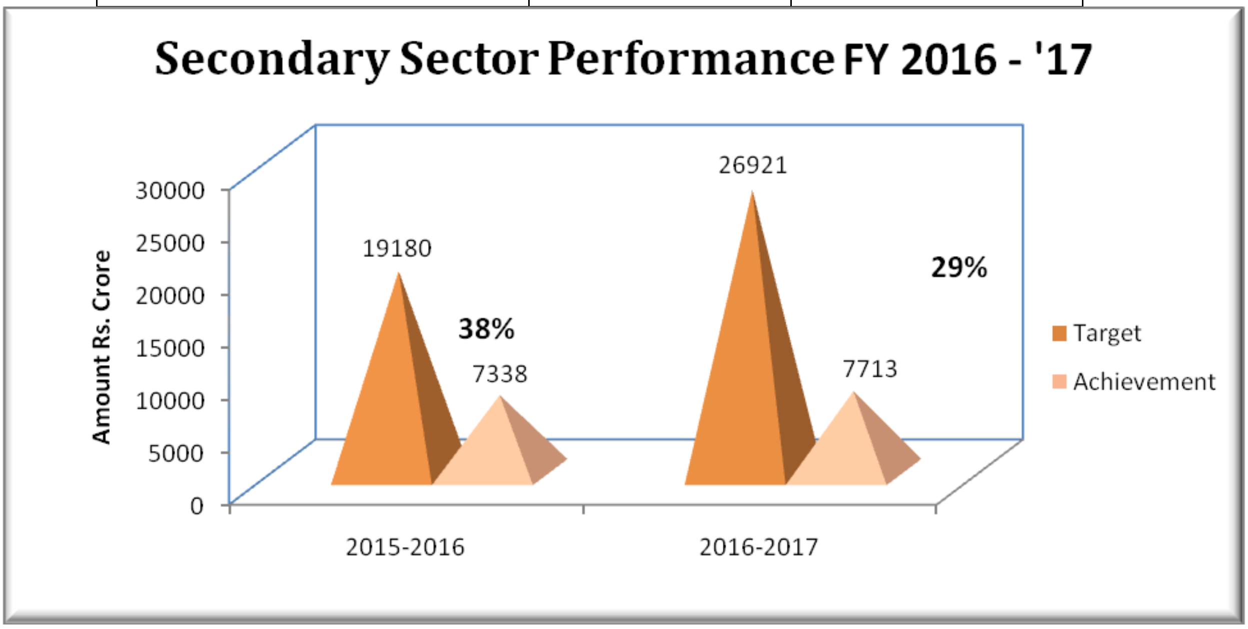
Sl. No.	District	Target for 2016-17	Achievement of Q2	% Achievement
1	TRIVANDRUM	4312	1142	26
2	KOLLAM	4383	1847	42
3	PATHANAMTHITTA	2801	481	17
4	ALAPPUZHA	2648	1528	58
5	KOTTAYAM	5380	1222	23
6	IDUKKI	2839	984	35
7	ERNAKULAM	5262	1841	35
8	THRISSUR	4970	2466	50
9	PALAKKAD	4862	1940	40
10	MALAPPURAM	4308	2468	57
11	KOZHIKODE	4408	2234	51
12	WAYANAD	2720	1191	44
13	KANNUR	3142	1810	58
14	KASARGODE	2230	1110	50
	TOTAL	**54266**	**22264**	**41**



4.1.3. Performance under Secondary Sector

(Rs. in Crores)

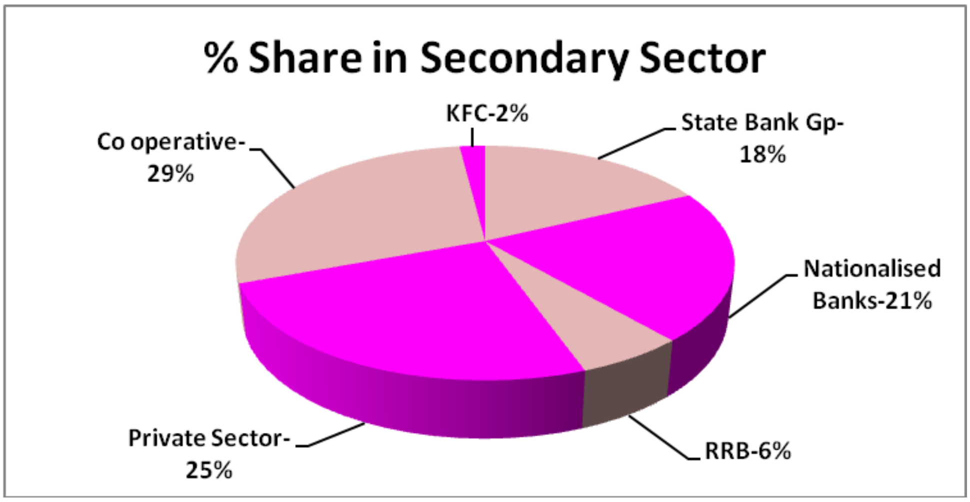
Parameter	2015-2016	2016-2017
Target for the whole year	19180	26921
Achievement of Q2	7338	7713
% of achievement for Q2	38	29



4.1.3.1. Banking GroupWise Performance under Secondary Sector

(Rs. in Crores)

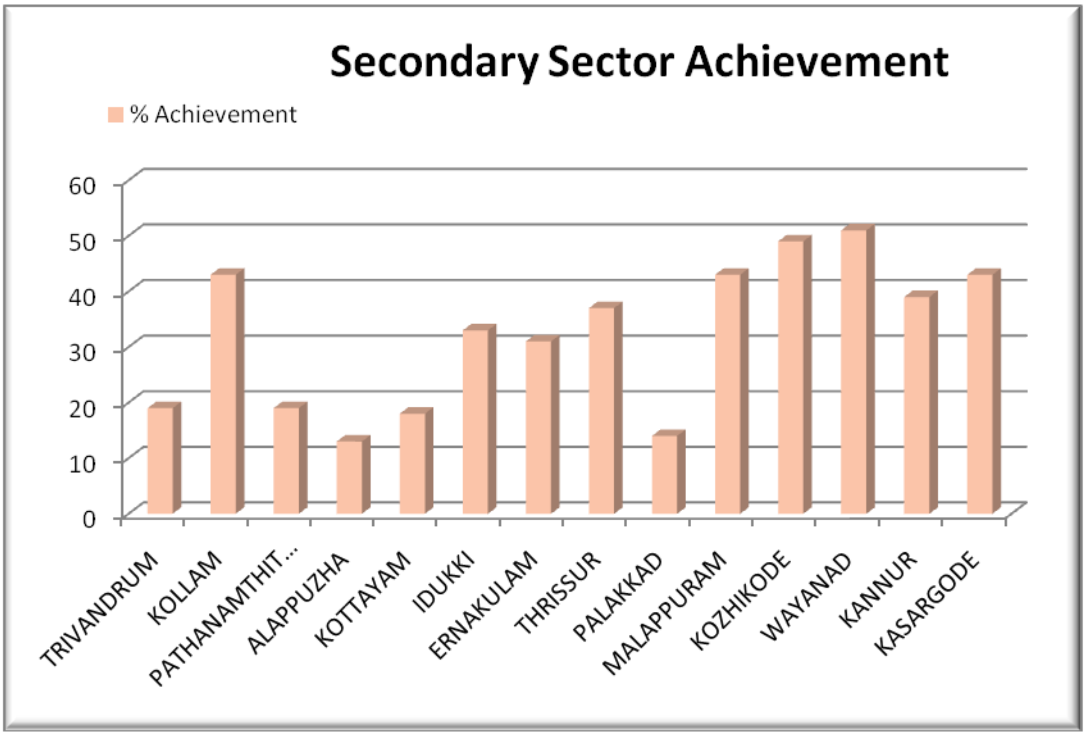
Banking Group	Disbursement for Q2	% Share in Total Disbursement	% Achievement of the target
State Bank Group	1386	18	31
Nationalized Banks	1613	21	23
RRB	469	6	24
Private Sector Banks	1892	25	31
Co-operatives	2236	29	32
KFC	117	2	26
STATE TOTAL	**7713**	**100**	**29**



4.1.3.2. District wise Performance under Secondary Sector

(Rs. in Crores)

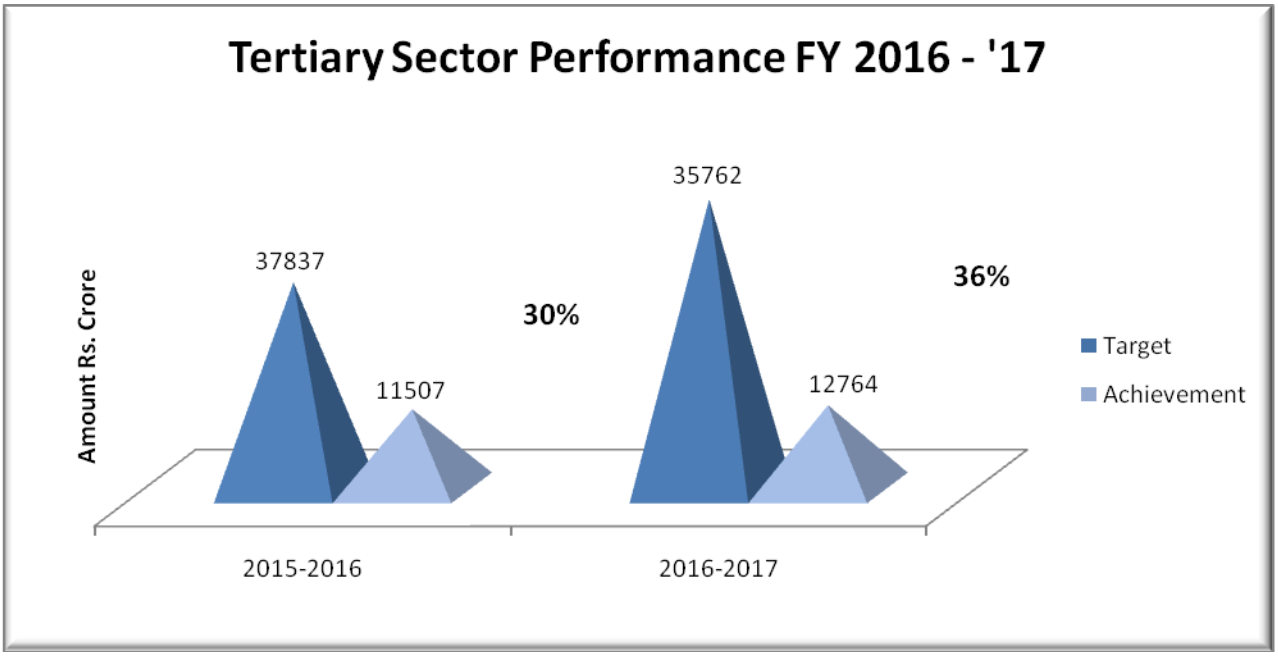
Sl. No.	District	Target for 2016-17	Achievement of Q2	% Achievement
1	TRIVANDRUM	1705	324	19
2	KOLLAM	1932	838	43
3	PATHANAMTHITTA	981	189	19
4	ALAPPUZHA	2904	364	13
5	KOTTAYAM	1779	325	18
6	IDUKKI	648	213	33
7	ERNAKULAM	5050	1553	31
8	THRISSUR	3030	1120	37
9	PALAKKAD	3798	548	14
10	MALAPPURAM	1319	561	43
11	KOZHIKODE	1301	632	49
12	WAYANAD	480	247	51
13	KANNUR	1476	574	39
14	KASARGODE	517	224	43
TOTAL		**26921**	**7713**	**29**



4.1.4. Performance under Tertiary Sector

(Rs. in Crores)

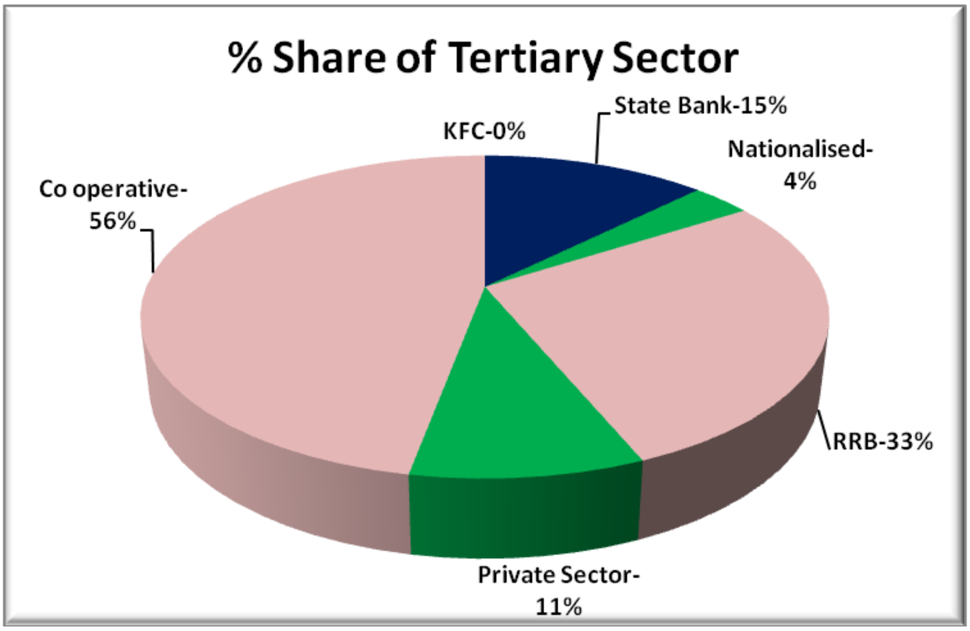
Parameter	2015-16	2016-17
Target for the whole year	37837	35762
Achievement for Q2	11507	12764
% of achievement for Q2	30	36



4.1.4.1. Banking GroupWise Performance under Tertiary Sector

(Rs. in Crores)

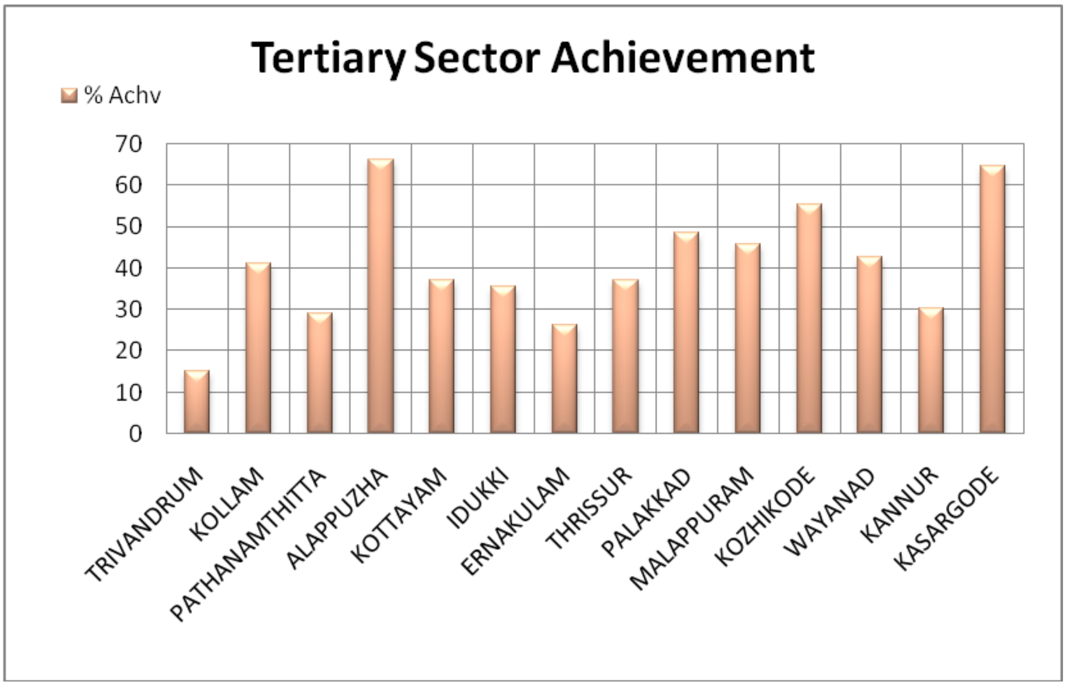
Banking Group	Disbursement for Q2	% Share in Total Disbursement	% Achievement of the target
State Bank Group	1947	15	39
Nationalized Banks	458	4	27
RRB	4191	33	31
Private Sector Banks	1357	11	25
Co-operatives	7185	56	43
KFC	32	0	37
STATE TOTAL	**12764**	**100**	**36**



4.1.4.2. District wise Performance under Tertiary Sector

(Rs. in Crores)

Sl.No.	District	Target for 2016-17	Achievement of Q2	% Achievement
1	TRIVANDRUM	3373	506	15
2	KOLLAM	2317	952	41
3	PATHANAMTHITTA	1693	493	29
4	ALAPPUZHA	1109	732	66
5	KOTTAYAM	2457	908	37
6	IDUKKI	1914	681	36
7	ERNAKULAM	5680	1486	26
8	THRISSUR	4700	1744	37
9	PALAKKAD	2171	1053	48
10	MALAPPURAM	1289	592	46
11	KOZHIKODE	1952	1081	55
12	WAYANAD	400	170	43
13	KANNUR	5752	1747	30
14	KASARGODE	956	618	65
TOTAL		**35762**	**12764**	**36**



4.2. Review of Priority Sector Advances (Outstanding) as at September 2016

(Refer Annexure 8.4)

The growth in outstanding advances of commercial banks under sub sectors of priority sector as at September 2016 is summarized as follows.

(Rs in. Crores)

Parameter	Outstanding					Variation			
	15-Sep	15-Dec	16-Mar	16-Jun	16-Sep	Sept. '15-Sept. '16	Dec. '15-Sept. '16	Mar. '16-Sept. '16	Jun. '16-Sept. '15
Priority Sector Advances	133659	130645	132256	135888	141707	8048	11062	9451	5819
Agriculture Advances	55680	54689	54888	55944	58495	2815	3806	3607	2551
MSE Advances - Priority	39373	39591	39463	40603	42911	3538	3320	3448	2308
Weaker Section Advances	52082	49847	54243	56634	59498	7416	9651	5255	2864
SC Advances	4416	4873	4437	4312	4358	-58	-515	-79	46
ST Advances	985	994	1049	1128	1122	137	128	73	-6
DRI Advances	44	45	43	40	35	-9	-10	-8	-5

4.2.1. Performance versus National goals

(Figures in percentage)

Sl. No.	Parameter	Goal %	Sept. 2015	Dec-15	16-Mar	16-Jun	Sept. 2016	Variation			
								Sept.'15 To Sept.'16	Dec.'16 To Sept.'16	Mar.'16 To Sept.'16	Jun.'16 To Sept.'16
1	Priority Sector Advances to Total Credit	40	60	58	57	57	57	-3	-1	0	0
2	Agriculture Advances to Total Credit	18	25	24	24	24	24	-1	0	0	0
3	Weaker Section Advances to Total Credit	10	23	22	23	24	24	1	2	1	0
4	DRI Advances to Total Credit	1	0.02	0.02	0.02	0.02	0.01	0	0	0	0
5	Credit Deposit Ratio	60	65.7	64.6	64.3	64.1	65.5	0	1	1	1

4.2.1.1. Performance of the Banking sector inclusive of Co-operatives (excluding PACs) as at September 2016

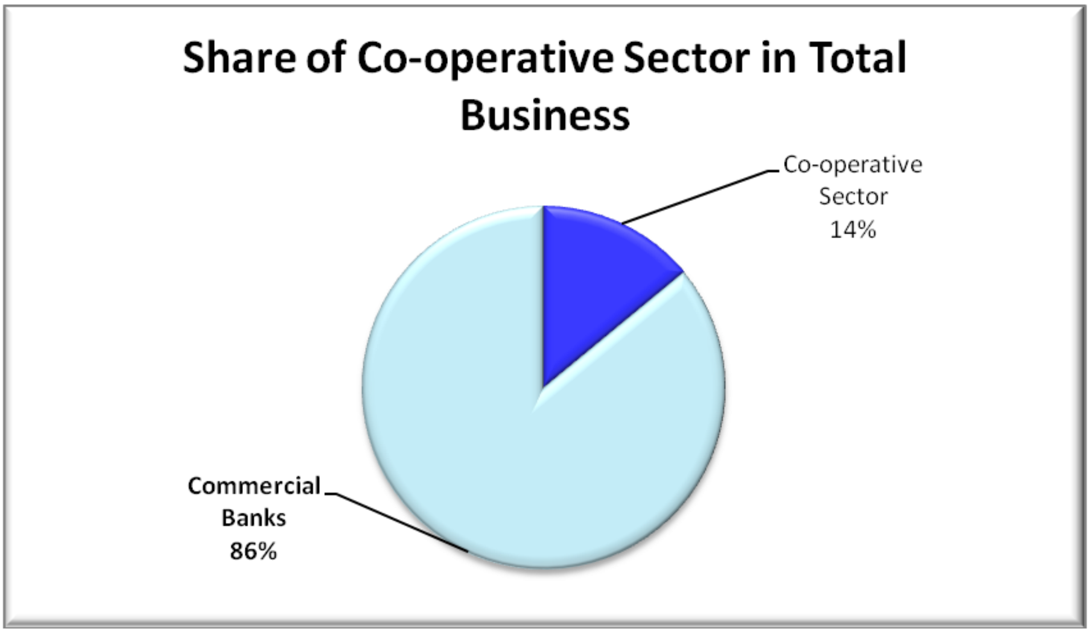
The performance of the banking sector inclusive of Co-operatives is summarized as follows:

Performance of Co-operative Sector under Vital Banking Statistics

(Amount Outstanding)

(Rs in. Crores)

Parameter	September 2016			Share of Co-operatives to Total
	Co-operative Sector	Commercial Banks	Commercial Banks + Co-operatives	
Branches	982	6233	7215	14
Total Deposits	64634	379675	444309	15
Total Advances	37791	248802	286593	13
Total Business	102425	628477	730902	14
Priority Sector Advances	25568	141707	167275	15
% Priority Sector Advances	68	57	58	xx
Agriculture Advances	5904	58495	64398	9
% Agriculture Advances	16	24	22	xx
MSME Advances	1034	42911	43944	2
% MSME Advances	3	17	15	xx
CD Ratio	58.47	65.53	64.50	xx

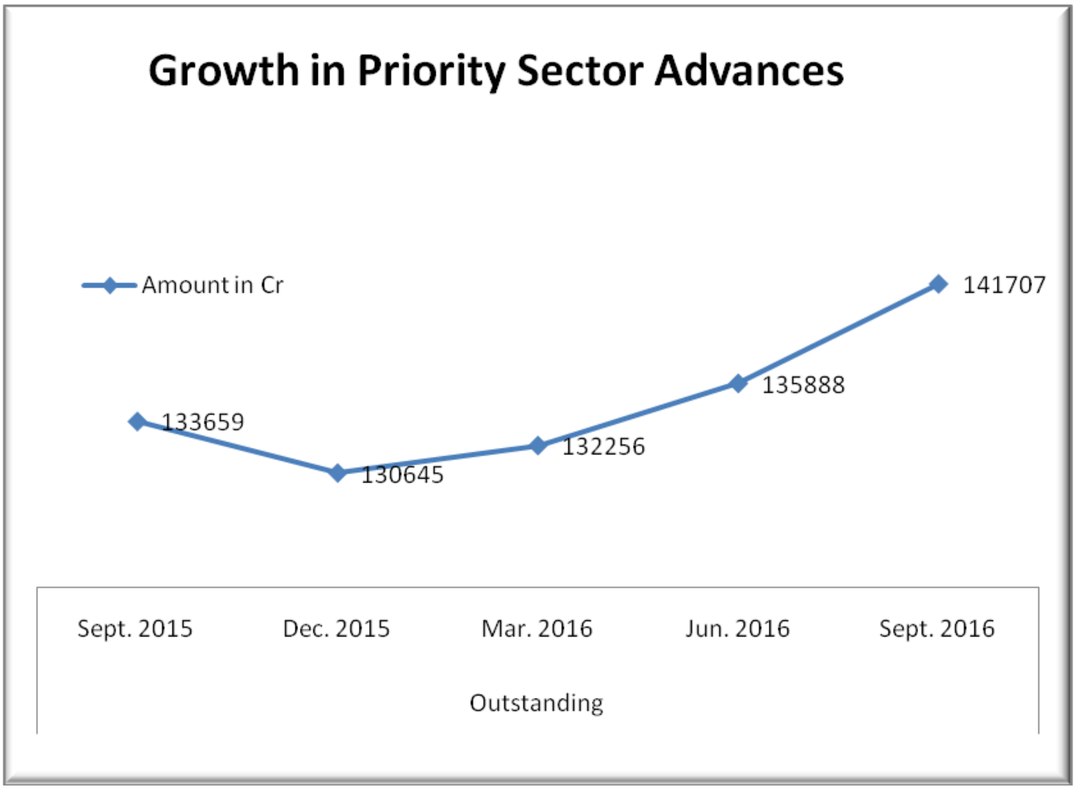


4.2.2. Priority Sector Advances in Total Advances – Bank Group wise

(Refer Annexure 8.4)

(Rs. in Crores)

Parameter	Outstanding					Variation			
	Sept. 2015	Dec. 2015	Mar. 2016	Jun. 2016	Sept. 2016	Sept. '15-Sept. '16	Dec. '15-Sept. '16	Mar. '16-Sept. '16	Jun. '16-Sept. '15
Priority Sector Advances	133659	130645	132256	135888	141707	8048	11062	9451	5819



Banking Group wise Performance under
Priority Sector Advances as at September 2016

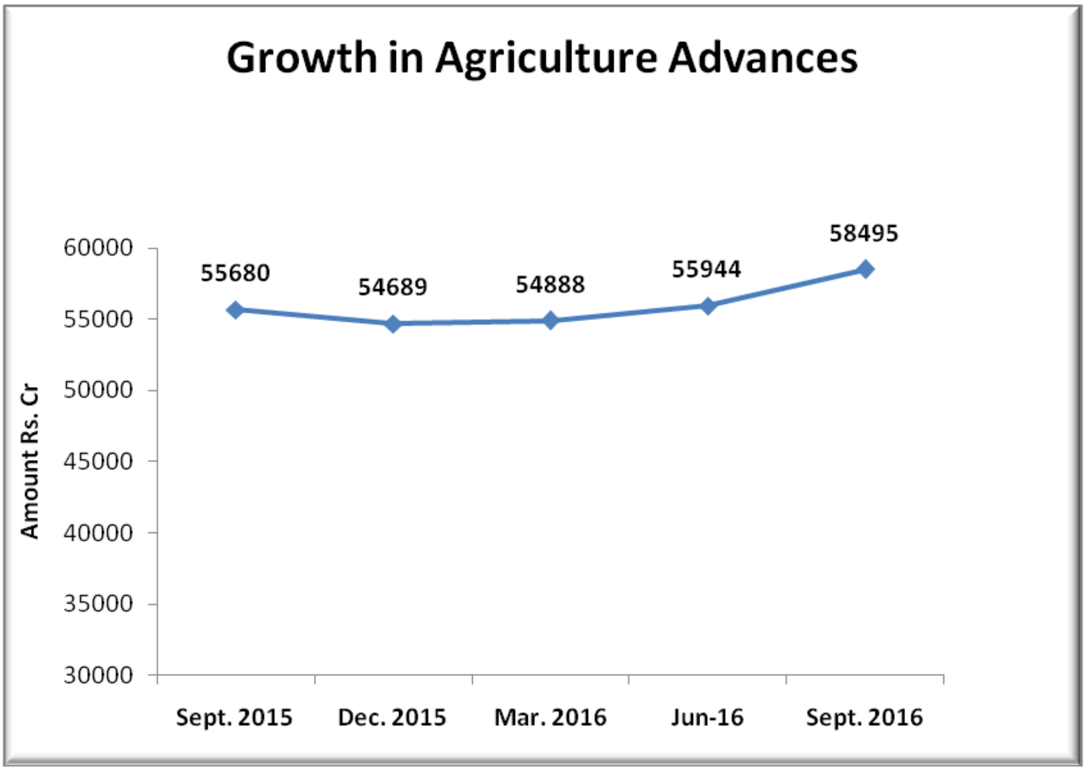
(Rs. in Crores)

Banking Group	Total Advances			Priority Sector Advances			% PSA to Total Adv. (Sept'16)
	March 2016	Sept. 2016	Growth Mar.'16-Sept.'16	March 2016	Sept. 2016	Growth Mar.'16-Sept.'16	
State Bank Group	63848	66879	3031	37857	38209	352	57
Nationalized Banks	76394	82853	6459	49555	53113	3558	64
RRB	11928	12897	969	10824	11549	725	90
Private Sector Banks	80247	86173	5926	34020	38837	4817	45
Total Commercial Banks	**232418**	**248802**	**16384**	**132256**	**141707**	**9451**	**57**

4.2.3. Agriculture Advances (Refer Annexure 8.5)

(Rs. in Crores)

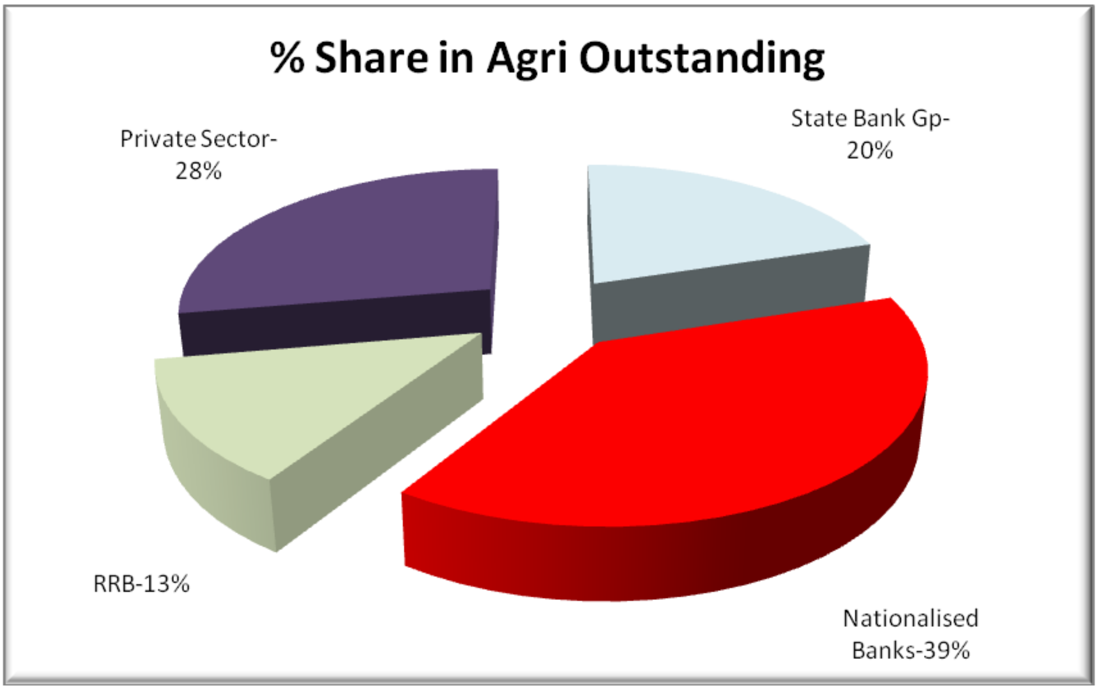
Parameter	Outstanding					Variation			
	Sept. 2015	Dec. 2015	Mar. 2016	Jun-16	Sept. 2016	Sept. '15-Sept. '16	Dec. '15-Sept. '16	Mar. '16-Sept. '16	Jun. '16-Sept. '15
Agriculture Advances	55680	54689	54888	55944	58495	2815	3806	3607	2551



Banking Group Wise Performance under Agriculture Advances as at September 2016

(Rs. in Crores)

Bank	Agriculture Advances		
	Outstanding		% O/S to total
	No.	Amount	
State Bank Group	1011413	11779	20
Nationalized Banks	2034589	22835	39
RRB	1210457	7680	13
Private Sector Banks	841247	16201	28
Total commercial banks	**5097706**	**58495**	**100**

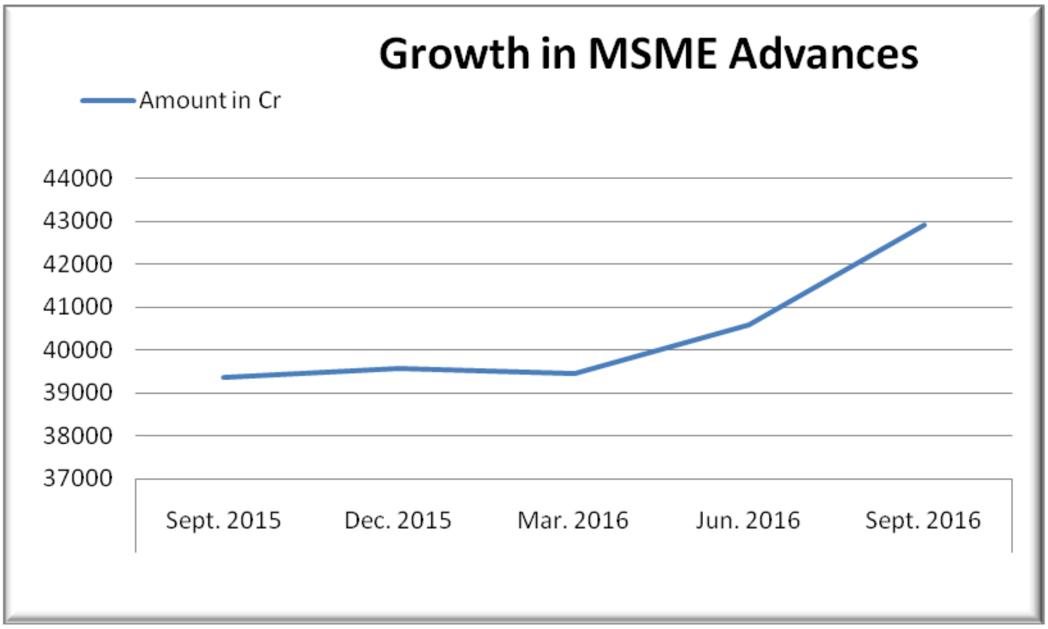


4.2.4. MSME Advances (Priority) (Refer Annexures 8.6)

Advances to Micro, Small and Medium Enterprises are now part of Priority Sector (MSME).

(Rs. in Crores)

Parameter	Outstanding					Variation			
	Sept. 2015	Dec. 2015	Mar. 2016	Jun. 2016	Sept. 2016	Sept. '15-Sept. '16	Dec. '15-Sept. '16	Mar. '16-Sept. '16	Jun. '16-Sept. '15
MSME Advances	39373	39591	39463	40603	42911	3538	3320	3448	2308



4.2.4.1. MSME (Priority) – Micro, Small & Medium Enterprises - Outstanding:

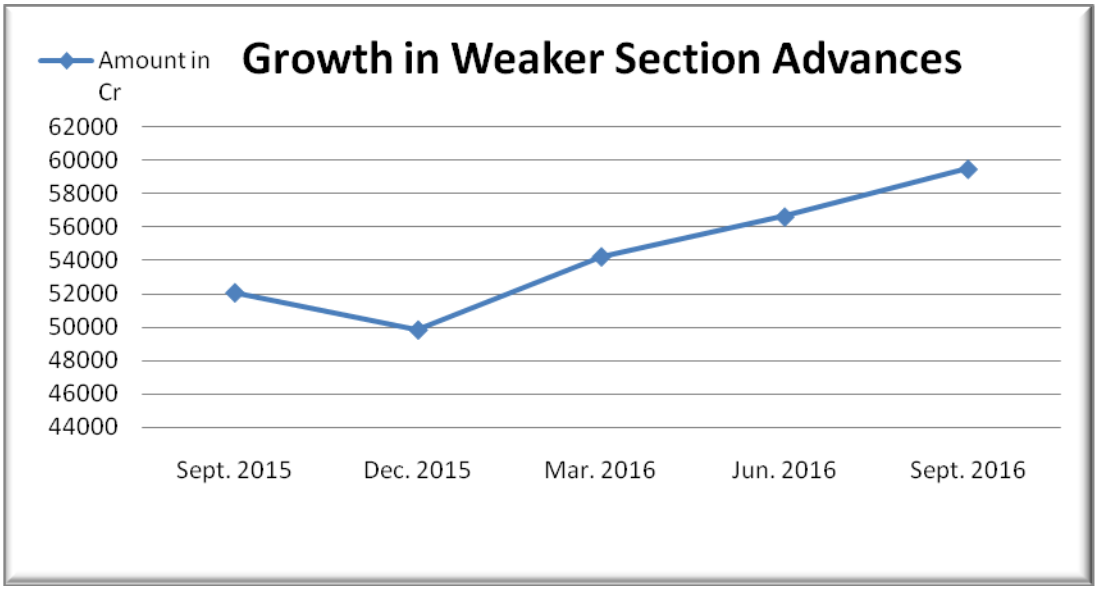
(Rs. in Crores)

Banking Group	Micro, Small & Medium Enterprises Outstanding (Priority)											
	March 2016						September 2016					
	Micro Enterprises		Small Enterprise		Medium Enterprise		Micro Enterprises		Small Enterprise		Medium Enterprise	
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt
State Bank Group	67919	4371	36175	4678	2532	381	71148	4082	23474	3569	2486	1425
Nationalized Banks	337746	6951	34328	6349	16957	1400	336723	7004	57625	7080	4752	1753
RRB	134874	1165	1258	126	115	7	115460	1044	1087	122	116	8
Private Sector Banks	129239	4789	32202	7860	1762	1386	138802	7111	34986	8170	2137	1543
Total Commercial Banks	**669778**	**17275**	**103963**	**19014**	**21366**	**3174**	**662133**	**19241**	**117172**	**18940**	**9491**	**4730**

4.2.5. Advances to Weaker Section (Refer Annexure 8.9)

(Rs. in Crores)

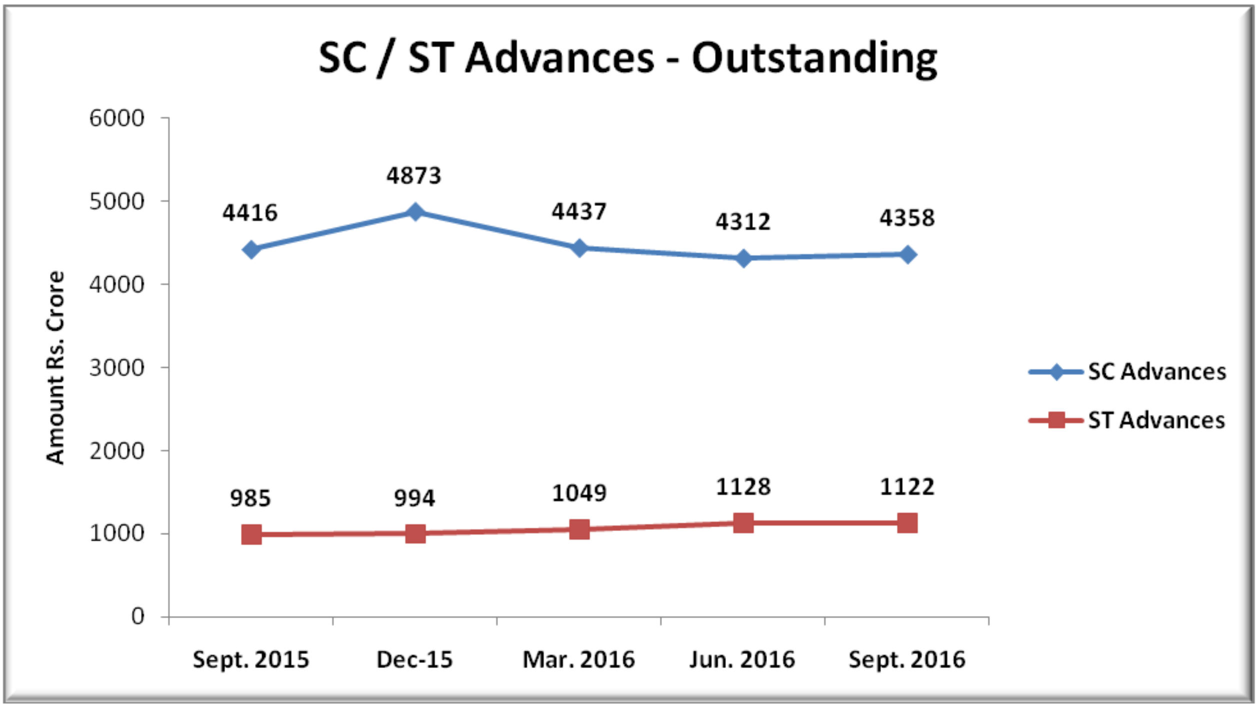
Parameter	Outstanding					Variation			
	Sept. 2015	Dec. 2015	Mar. 2016	Jun. 2016	Sept. 2016	Sept. '15-Sept. '16	Dec. '15-Sept. '16	Mar. '16-Sept. '16	Jun. '16-Sept. '15
Weaker Section Advances	52082	49847	54243	56634	59498	7416	9651	5255	2864



4.2.6. **Advances to SC/STs** (Refer Annexure 8.9)

(Rs. in Crores)

Parameter	Outstanding					Variation			
	Sept. 2015	Dec-15	Mar. 2016	Jun. 2016	Sept. 2016	Sept. '15- Sept. '16	Dec. '15- Sept. '16	Mar. '16- Sept. '16	Jun. '16- Sept. '15
SC Advances	4416	4873	4437	4312	4358	-58	-515	-79	46
ST Advances	985	994	1049	1128	1122	137	128	73	-6
Total SC/ST Advances	**5401**	**5867**	**5486**	**5440**	**5480**	**79**	**-387**	**-6**	**40**



Banking Group wise Performance under SC/ST advances as at September 2016

(Rs. in crores)

BANK	SC Advances			ST Advances		
	Outstanding		% Share	Outstanding		% Share
	No.	Amount		No.	Amount	
State Bank Group	187941	3445	79	49474	816	73
Nationalized Banks	72876	695	16	18845	227	20
RRB	24325	126	3	13094	68	6
Private Sector Banks	8419	91	2	974	12	1
Total Commercial Banks	**293561**	**4358**	**100**	**82387**	**1122**	**100**

4.2.7. DRI Advances (Refer Annexure 8.10)

(Rs. in Crores)

Parameter	Outstanding					Variation			
	Sept. 2015	Dec. 2015	Mar. 2016	Jun. 2016	Sept. 2016	Sept. '15-Sept. '16	Dec. '15-Sept. '16	Mar. '16-Sept. '16	Jun. '16-Sept. '15
DRI Advances	44	45	43	40	35	-9	-10	-8	-5

Banking Group wise Performance under DRI advances as at September 2016

(Rs. in Crores)

Bank	DRI Advances		
	Outstanding		% Share
	No.	Amount	
State Bank Group	2544	6.93	20
Nationalized Banks	34413	25.30	73
RRB	715	0.37	1
Private Sector Banks	3167	1.90	6
Total commercial banks	**40839**	**34.50**	**100**

5. Review of Performance under Special Focus Programmes

5.1. Swarozgar Credit Card Scheme (Refer Annexure 8.19)

The data submitted by the Controlling Offices of banks reveals that Commercial banks in the State have sanctioned **323** Swarozgar Credit Cards (SCCs) during the second quarter of the year 2016-17 with a sanctioned amount of **Rs.514 lakhs**. The amount outstanding as at September 2016 is **Rs. 25.38 crores** in **5589** cards.

5.2. Artisans Credit Card Scheme (Refer Annexure 8.19)

Commercial banks in the State have sanctioned **81** Artisans Credit Cards (ACCs) during the quarter ending September 2016. The total limits sanctioned are to the tune of **Rs. 98 lakhs**. The amount outstanding as at September 2016 is **Rs. 6.63 crores** in **690** cards.

5.3. Laghu Udhyami Credit Cards (Refer Annexure 8.19)

Commercial banks in the State have sanctioned **974** Laghu Udhyami Credit Cards (LUCC) during the second quarter of 2016-17 making available credit limits to the tune of **Rs. 11.01 Crores** to small entrepreneurs of the State. The amount outstanding as at September 2016 is **Rs. 87.61 crores** in **2620** cards.

5.4. **Performance under Kisan Credit Card Scheme** (Refer Annexure 8.18)

(Rs. in Crores)

Bank	Outstanding as on Sept 2015		Outstanding as on Sept 2016	
	No.	Amt	No.	Amt
State Bank Group	116466	1149	110121	1310
Nationalized Banks	189331	2360	175771	2417
RRB	151864	1114	152248	1181
Private Sector Banks	204940	5739	239547	6582
Commercial Banks	662601	10362	677687	11490
Co-operative Banks	1261033	2605	1220139	2717
State Total	**1923634**	**12967**	**1897826**	**14208**

5.5. **Agri-Clinics and Agri Business Centres** (Refer Annexure 8.17)

As at September 2016, the outstanding accounts under Agri clinics in the State by Commercial Banks are **31** with a credit outlay of **Rs. 104 lakhs.** The outstanding accounts under Agri Business Centres in the State by Commercial Banks are **104** with a credit outlay of **Rs. 20.66 Crores.**

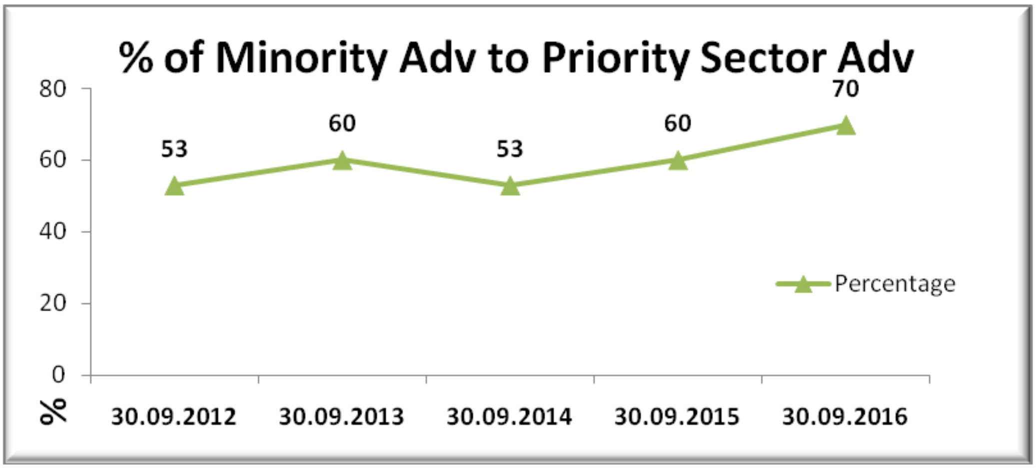
5.6. **Credit Flow to Minority Communities** (Refer Annexures 8.15)

As per RBI directions, credit flow to minorities in specified districts should be reviewed in all SLBC meetings. At present all the districts in the State of Kerala are notified for reporting under this head. The comparative position with regard to the previous year is given below.

Data on Minority Sector Advances in the State of Kerala

(Rs. in Crores)

Year	Total Priority Sector Advances	Minority Sector Advances	Percentage
31.03.2012	85606	46247	54
30.06.2012	87751	52877	60
30.09.2012	91253	48177	53
31.12.2012	92844	51466	55
31.03.2013	99318	55248	56
30.06.2013	99515	55874	56
30.09.2013	101468	61290	60
31.12.2013	105160	69998	67
31.03.2014	113555	67406	59
30.06.2014	115246	63647	55
30.09.2014	119436	63858	53
31.12.2014	121360	68135	56
31.03.2015	128655	72431	56
30.06.2015	132733	80372	61
30.09.2015	133659	80600	60
31.12.2015	130645	85014	65
31.03.2016	132256	86853	66
31.06.2016	135888	100457	74
30.09.2016	141707	98811	70



5.7. Performance under Micro-credit (Annexures 8.20 to 8.23)

There are 3 modes for credit linkage of SHGs under the SHG-Bank linkage programme. Credit linkage through

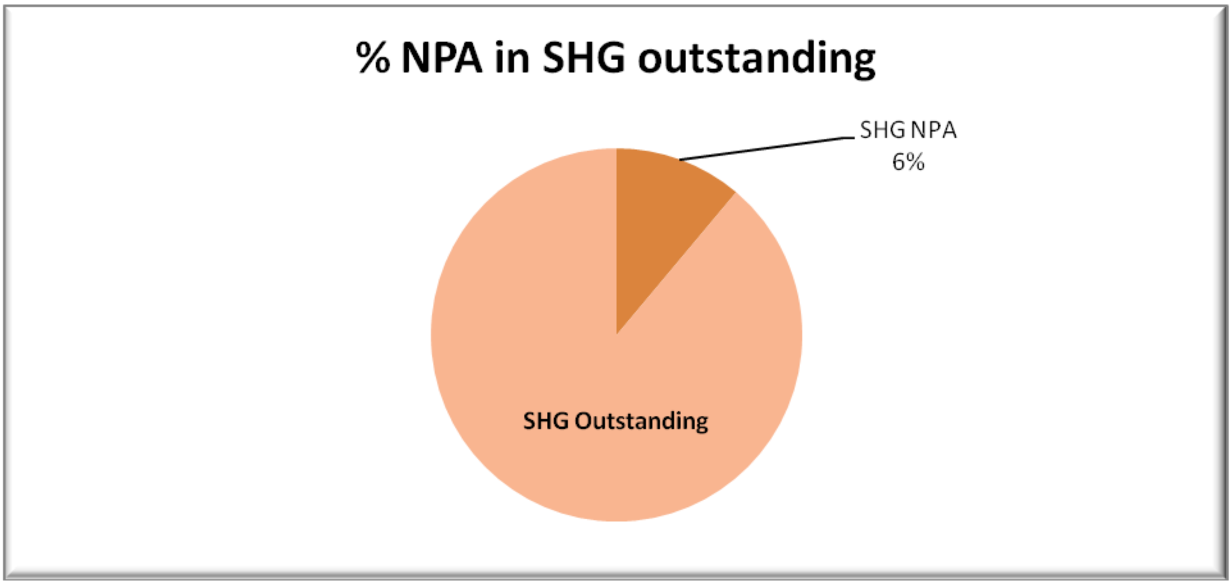
1. Financing SHGs directly by banks
2. Financing SHGs directly with the facilitation of NGOs
3. Financing SHGs through the medium of NGOs

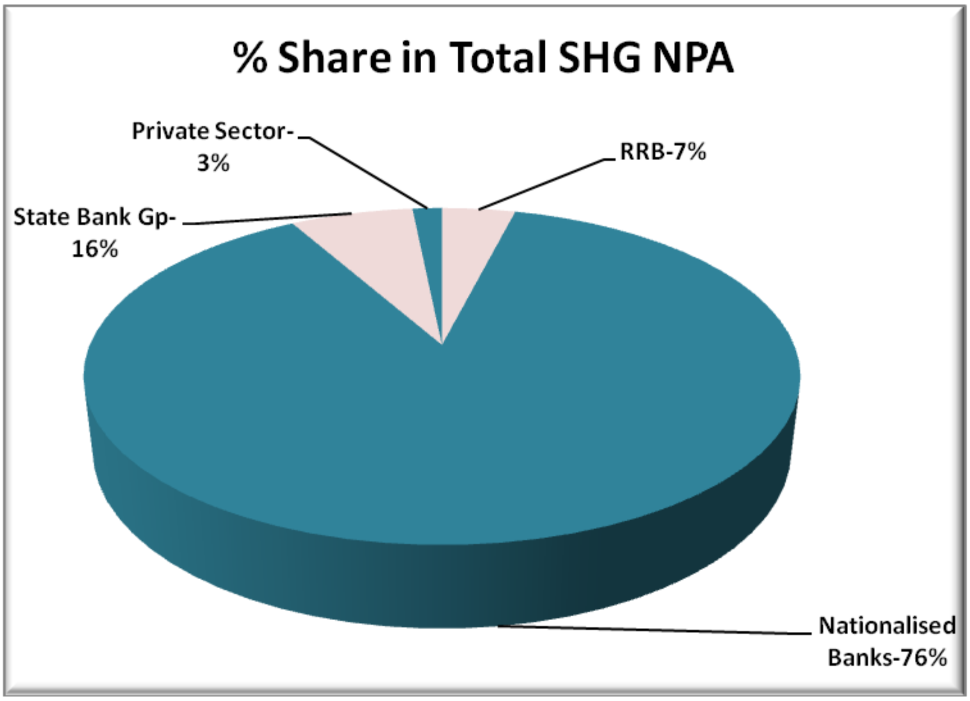
The performance of the banking sector in the State under the above 3 modes of linkage is as follows.

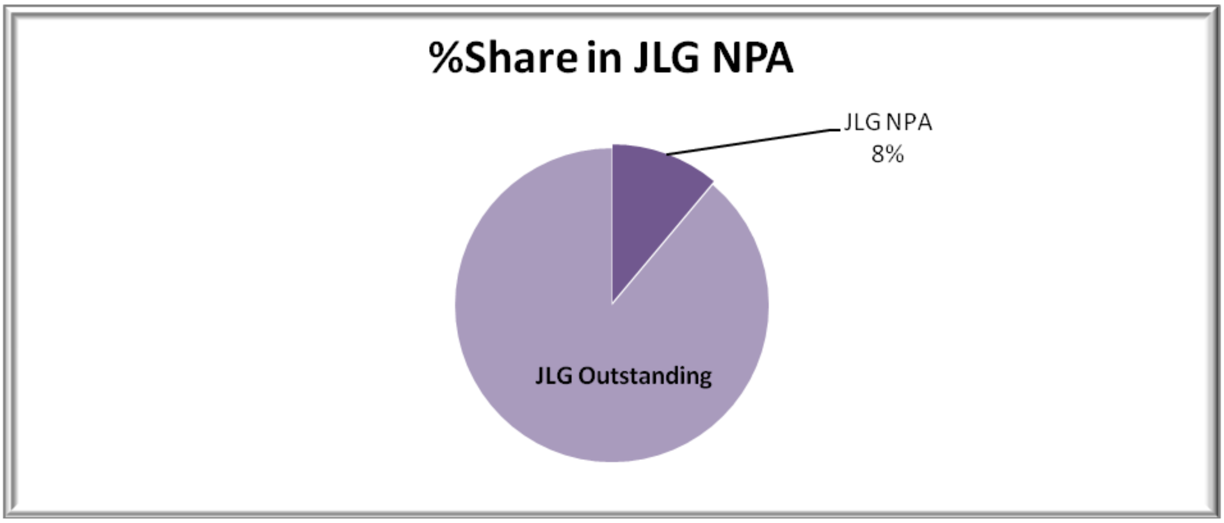
(Rs. in Crores)

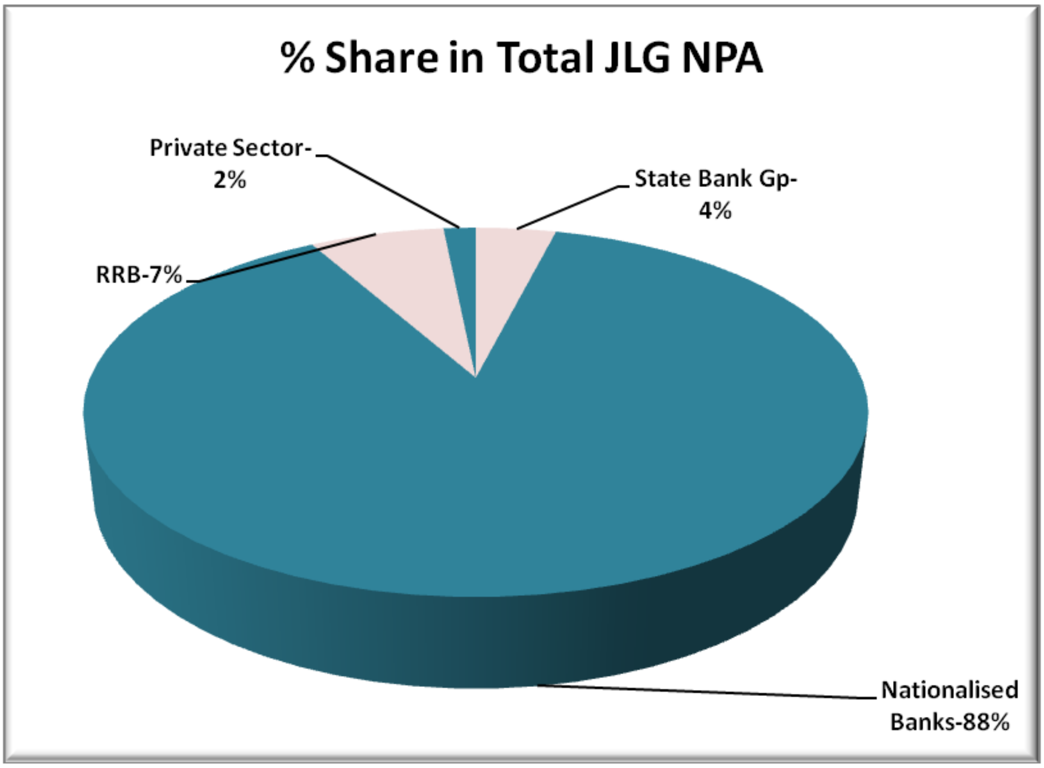
Mode of Linkage	Loan Outstanding under SHG Finance	
	A/c	Amt
Financing SHGs directly by banks	161398	2775
Financing SHGs directly with the facilitation of NGOs	47706	847
Financing SHGs through the medium of NGOs	921	36
Total No. of SHGs linked	210025	3658

Bank/Banking Group	OF TOTAL OUTSTANDING				TOTAL OUTSTANDING NPA	
	JLG NPA		SHG NPA			
	A/cs	Amount	A/cs	Amount	A/cs	Amount
State Bank Group	293	3	1248	32	1541	35
Nationalized Banks	15163	56	6172	154	21335	210
RRB	337	4	1228	10	1565	14
Private Sector Banks	317	1	405	6	722	7
State total	**16110**	**63**	**9053**	**201**	**25163**	**265**


% NPA in SHG outstanding
SHG NPA
6%
SHG Outstanding


% Share in Total SHG NPA
Private Sector-
3%
RRB-7%
State Bank Gp-
16%
Nationalised
Banks-76%


%Share in JLG NPA
JLG NPA
8%
JLG Outstanding



5.8. Compliance on recommendations of the Prime Minister's Task Force on MSE advances

The major recommendations of the task force are given below:

- Achieve a 20% year-on-year growth in credit to micro and small enterprises to ensure enhanced credit flow.
- The allocation of 60% of the MSE advances to the micro enterprises to be achieved in stages; viz. 50% in the year 2010-11; 55% in the year 2011-12 & 60% in the year 2013-14; and
- Achieve a 10% annual growth in number of micro enterprise accounts.

Performance of the State under above parameters is as follows:

Sl. No.	Parameter	Sep-15	Sep-16	Increase	% Increase	Target
1	**No of Loan accounts under Micro Enterprise**	666526	662133	-4393	-1	10%
2	**Credit under Micro and Small Enterprise** (Rs.in Crores)	35353	38181	2828	8	20%
3	**Credit under Micro Enterprise** (Rs.in Crores)	15884	19241	3357	21	xxxx
4	**Share of Micro Enterprise to total MSE Credit (%)**	45	45	xxxx	xxxx	60%

5.9. Position of Sick SME under different Banking group (Refer Annexure 8.31)

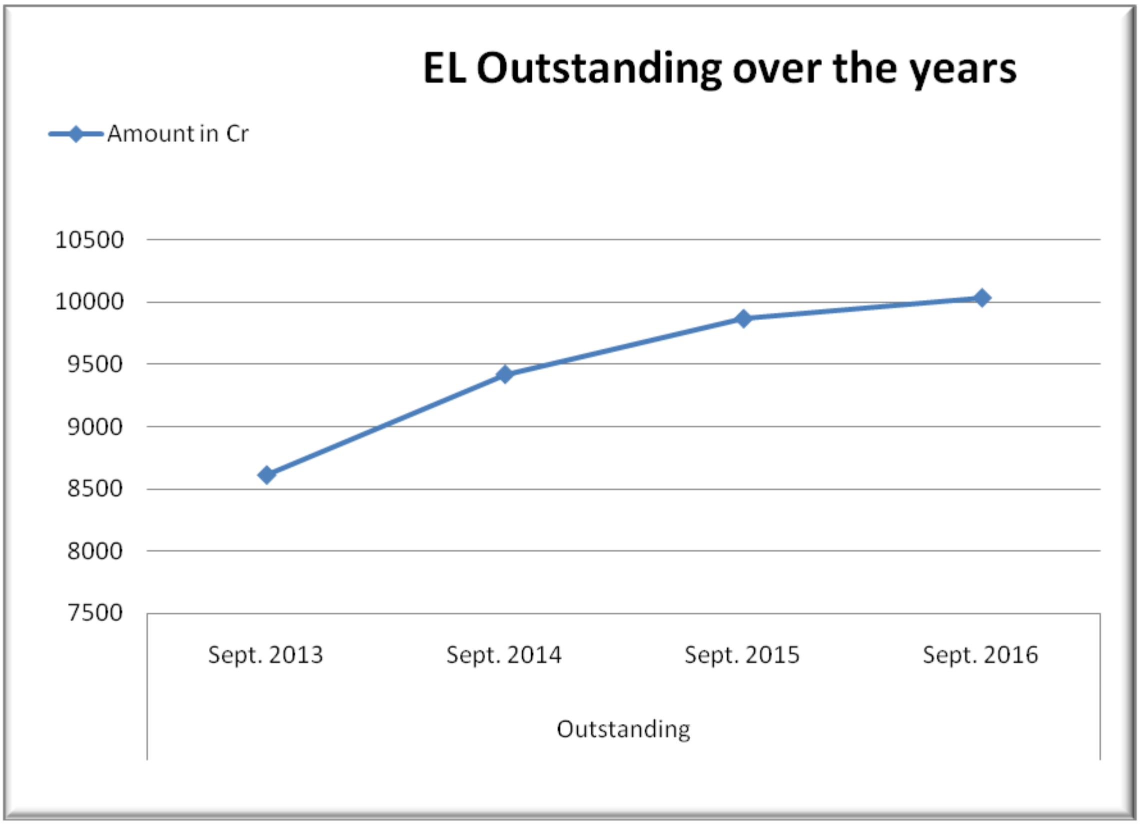
(Rs. in crores)

Banking Group	Cumulative Position at the end of September 2016		
	No of Units	Amount	% Share
State Bank Group	515	15	0.38
Nationalized Banks	7500	1676	43.94
RRB	0	0	0.00
Private Sector Banks	12181	2124	55.67
Grand Total	**20196**	**3815**	**100.00**

5.10. Outstanding Performance under Education Loan (Refer Annexure 8.27)

(Rs. in crores)

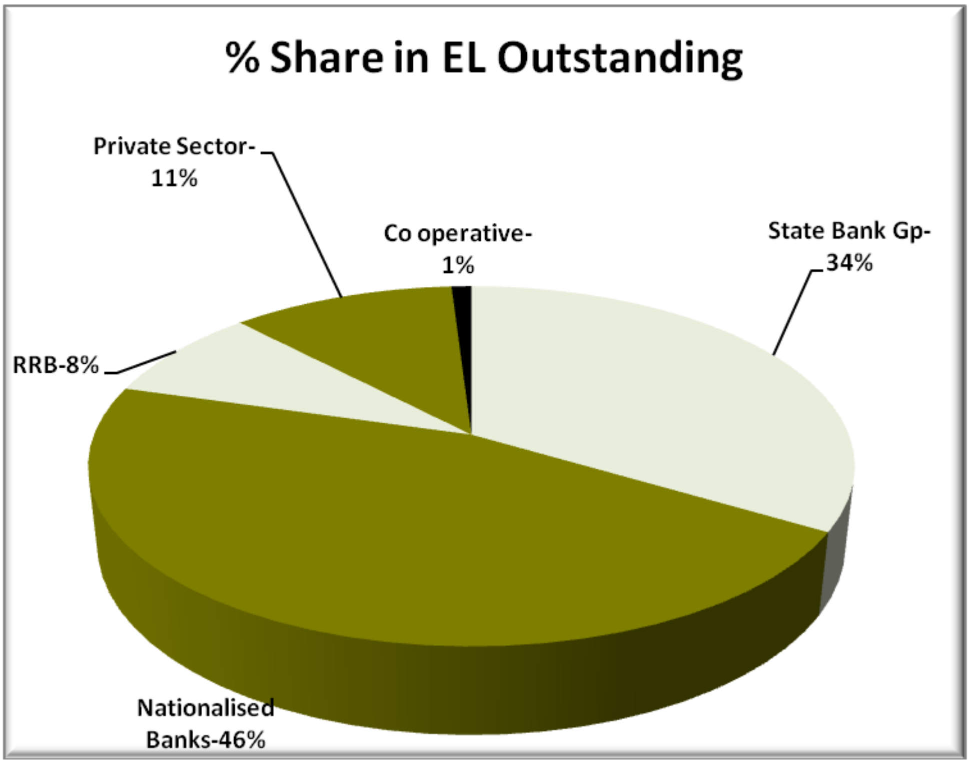
Parameter	Outstanding				Variation		
	Sept. 2013	Sept. 2014	Sept. 2015	Sept. 2016	Sept. '13-Sept. '14	Sept. '14-Sept. '15	Sept. '15-Sept. '16
Education loan	8614	9419	9865	10032	805	446	167



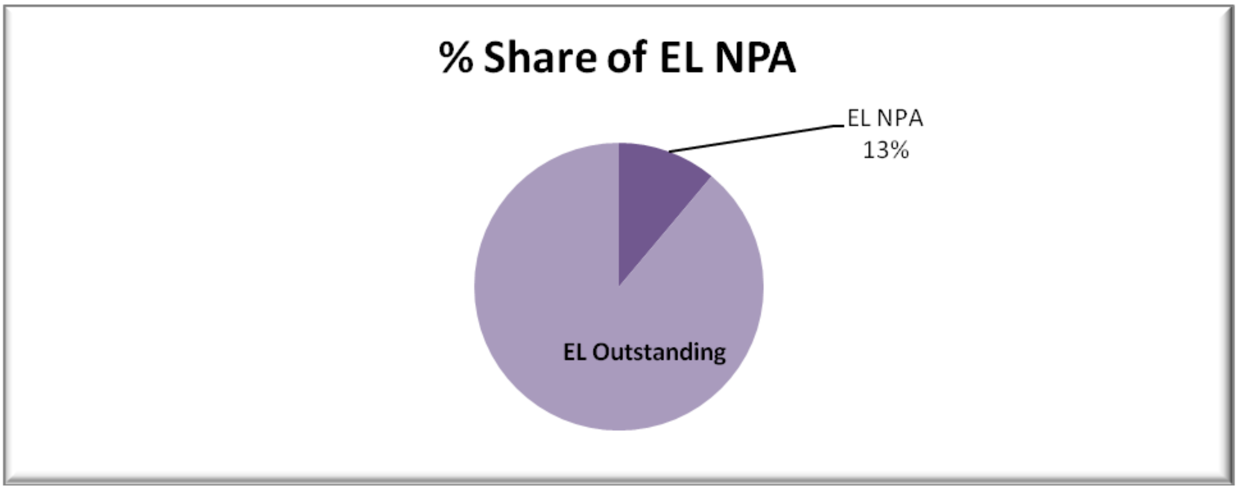
Banking GroupWise Education Loan & NPA in Education Loan Outstanding

(Rs. in crores)

Banking Group	Outstanding Education loan		EL NPA Outstanding		%NPA to total Outstanding
	A/cs	Amount	A/cs	Amount	
State Bank Group	113345	3395	11279	290	9
Nationalized Banks	172455	4655	28309	771	17
RRB	33335	851	3900	88	10
Private Sector Banks	46397	1131	6042	136	12
Co-operative Banks	5082	100	2329	41	41
State Total	**370614**	**10132**	**51859**	**1326**	**13**



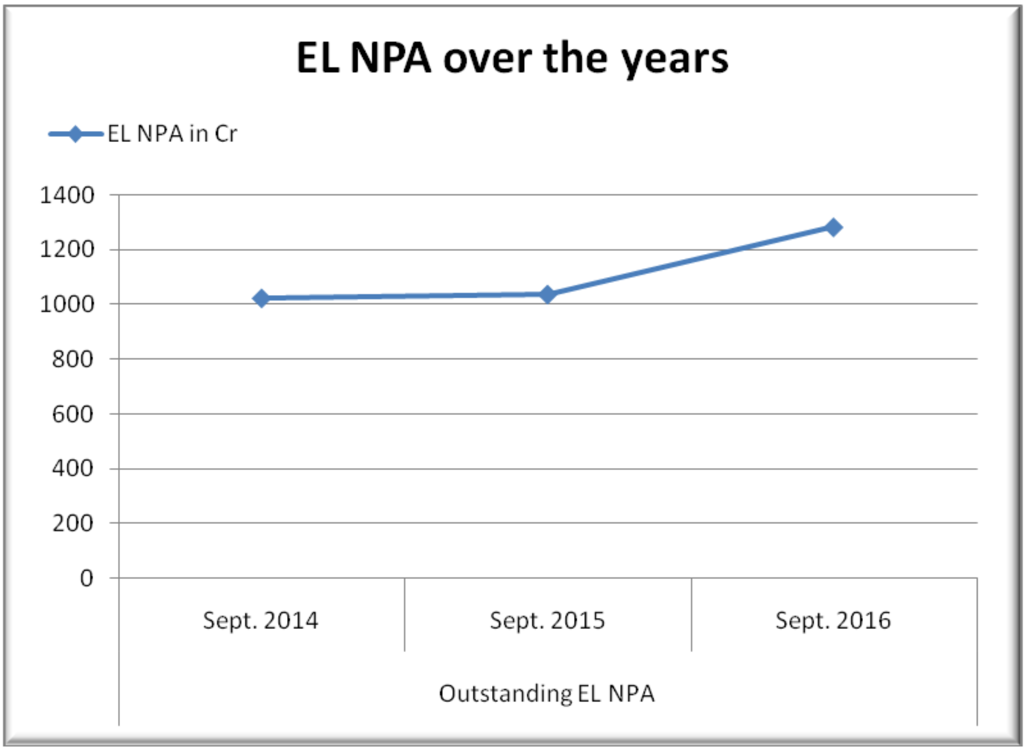
% of Education Loan NPA in total Outstanding EL

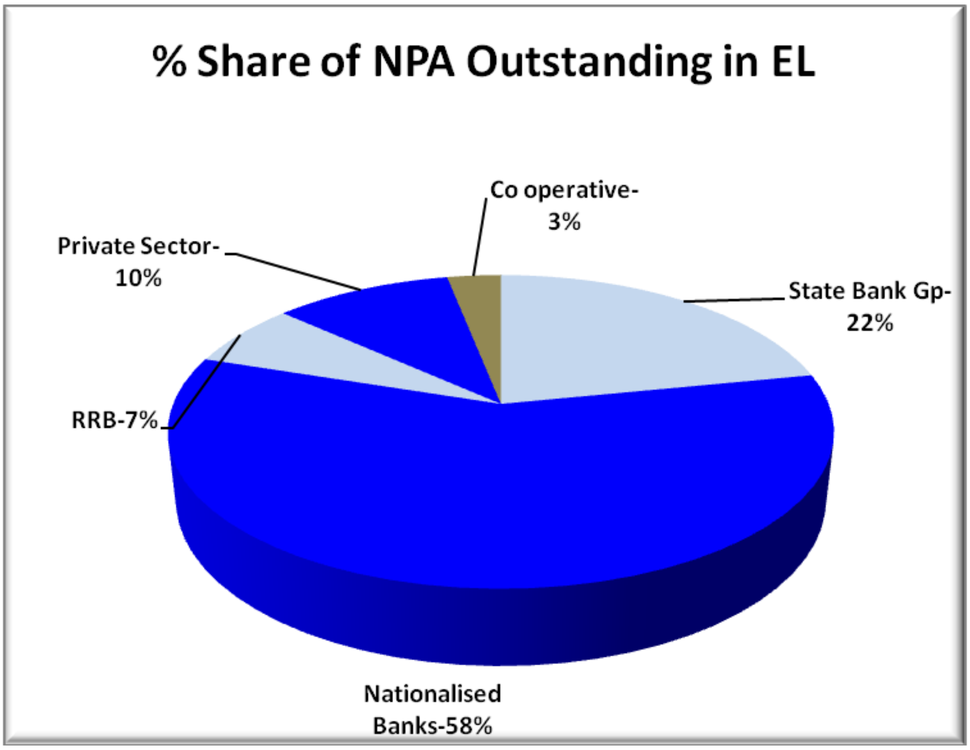


Education Loan NPA over the years

(Rs. in crores)

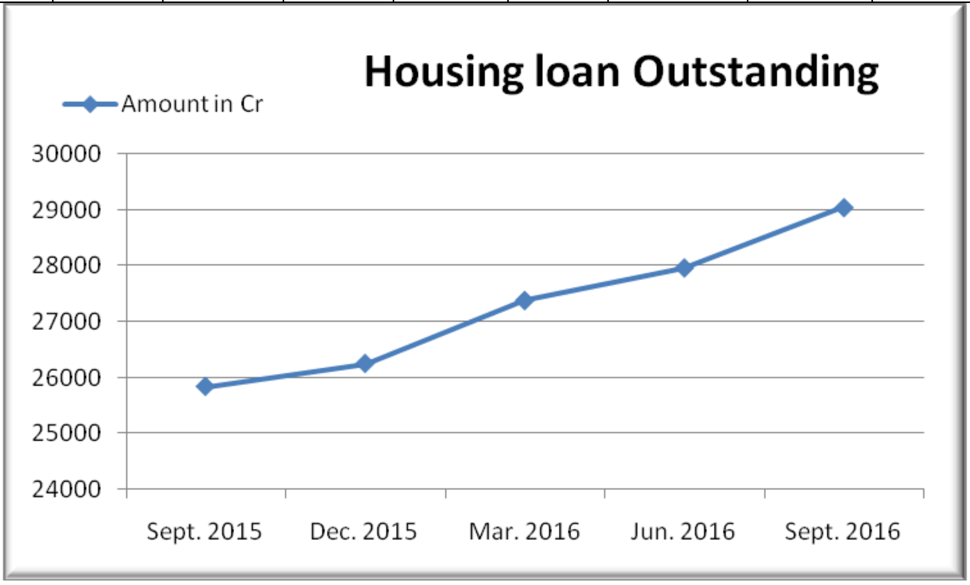
Parameter	Outstanding EL NPA			Variation	
	Sept. 2014	Sept. 2015	Sept. 2016	Sept. '14- Sept. '15	Sept. '15- Sept. '16
Education Loan NPA	1024	1038	1284	14	246





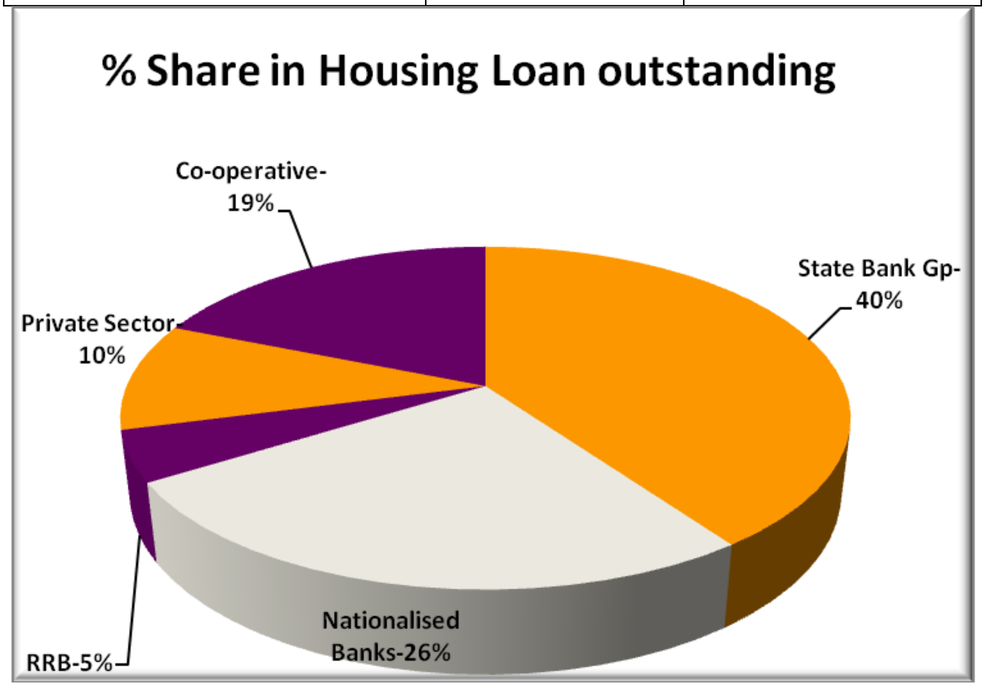
5.11. Outstanding Performance under Housing Loan (Refer Annexure 8.7)

Parameter	Outstanding					Variation			
	Sept. 2015	Dec. 2015	Mar. 2016	Jun. 2016	Sept. 2016	Sept. '15- Sept. '16	Dec. '15- Sept. '16	Mar. '16- Sept. '16	Jun. '16- Sept. '15
Housing loan	25835	26247	27379	27966	29049	3214	2802	1670	1083



(Rs. in crores)

Banking Group	Outstanding Housing loan	
	A/cs	Amount
State Bank Group	210161	14365
Nationalized Banks	167004	9321
RRB	41332	1709
Private Sector Banks	59986	3654
Co-operative Banks	241278	6757
State Total	719761	35806



5.12. Total Outstanding Under MUDRA Loans (PMMY) as at September 2016

(Refer Annexure 8.33)

(Rs. in crores)

Banking Group	Of Total outstanding under MUDRA loans							
	SHISHU		KISHORE		TARUN		Total MUDRA Loans	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
State Bank Group	16704	40	9969	236	3600	284	30273	560
Nationalized Banks	114536	376	63481	1136	8555	546	186572	2057
RRB	22100	39	13125	200	700	48	35925	286
Private Sector Banks	15805	44	5365	106	1142	74	22312	224
State total	**169145**	**499**	**91940**	**1678**	**13997**	**951**	**275082**	**3128**

5.13. Loan Outstanding under Pradhan Mantri Awas Yojana as at September 2016 (in %) (Refer Annexure 8.36)

(Rs. in Lakhs)

Banking Group	PMAY Scheme	
	A/cs	Amount
State Bank Group	40	172
Nationalized Banks	97	455
RRB	27	95
Private Sector Banks	67	502
State Total	231	1224

The no of sanctions uploaded with the Central Nodal Agencies as on 2016 Dec 16 are only 148 as mentioned below.

CNA	NO OF LOANS	LOAN AMOUNT IN LAKHS
NHB	127	907
HUDCO	21	156
TOTAL	148	1063

Banks need to ensure prompt e- filing of sanctions with the respective CNA, for both reporting purpose and also for claiming subsidy.

5.14. Cumulative enrollment under Pradhan Mantri Jan Suraksha Yojana as at September 2016 (Refer Annexure 8.34)

Banking Group	PMJJBY	PMSBY	APY	Total No.
State Bank Group	164427	1218091	28421	1410939
Nationalized Banks	292285	969329	34385	1295999
RRB	84445	411635	11114	507194
Private Sector Banks	110826	334351	21152	466329
Co-operative Banks	80925	277142	3459	361526
State Total	**732908**	**3210548**	**98531**	**4041987**

6. Review of Performance of the Banking Sector

6.1. Banking Statistics as at September 2016 (Refer Annexure 8.1 to 8.3)

(Rs. in crores)

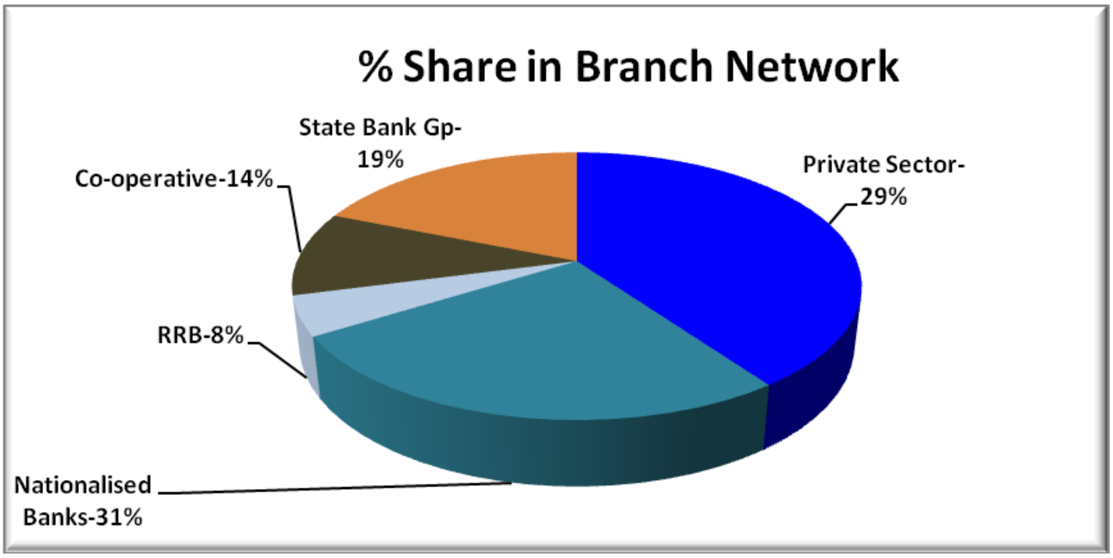
Parameter	Outstanding			Variation	
	Sept. 2015	16-Mar	Sept. 2016	Sep '15-Sep.'16	Mar.'16-Sep '16
No. of Branches	6040	6186	6233	193	47
Total Deposits	338902	361593	379675	40773	18082
Domestic Deposits	217283	225985	235954	18671	9969
NR Deposits	121619	135609	143721	22102	8112
Total Advances	222791	232418	248802	26011	16384
Investments	15763	10300	11786	-3977	1486
Adv. + Investment.	238554	242718	260588	22034	17870
C: D Ratio	65.74	64.28	65.53	0	1
C+I: D Ratio	70.39	67.12	68.63	-2	2

The detailed banking statistics for the State as at September 2016 is furnished in the Annexure. A comparative analysis of the data over the previous fiscals is presented below.

6.2. Branch Network

The population group wise breakup of the branch network is presented below.

Banking Group	Number of Branches				Percentage distribution			
	Rural	S.Urban	Urban	Total	Rural	S.Urban	Urban	Branch Network
State Bank Group	98	921	339	1358	1	13	5	19
Nationalized Banks	112	1468	636	2216	2	20	9	31
RRB	50	511	39	600	1	7	1	8
Private Sector Banks	179	1408	472	2059	2	20	7	29
Co-operative Banks	136	43	803	982	2	1	11	14
GRAND TOTAL	**575**	**4351**	**2289**	**7215**	**8**	**60**	**32**	**100**

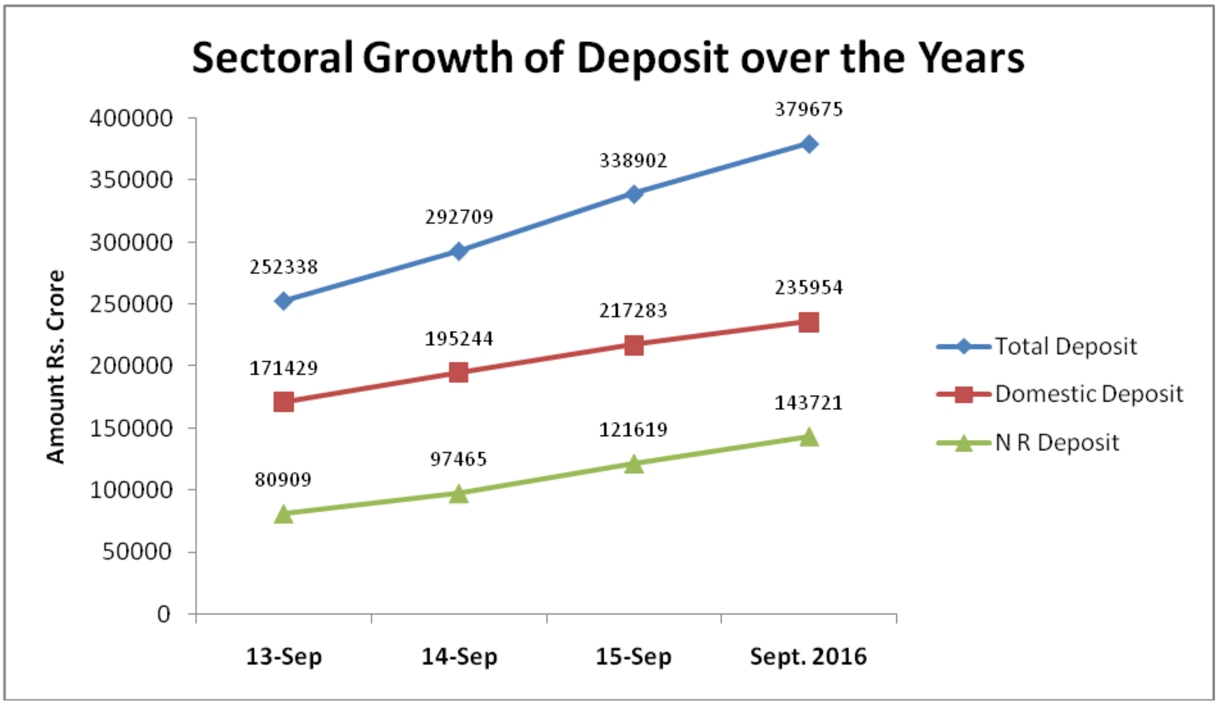


6.3. Deposit growth

Sectoral Growth of Deposit over the Years

(Rs. in Crores)

Type of deposit	Mar-13	Sep-13	Mar-14	Sep-14	Mar-15	Sep-15	Mar-16	Sept. 2016	Variation	
									Mar.'16-Sept.'16	Sept.'15-Sept.'16
Total Deposits	229148	252338	279655	292709	319890	338902	361593	379675	18082	40773
Domestic Deposits	162958	171429	185772	195244	210287	217283	225985	235954	9969	18671
N R Deposits	66190	80909	93883	97465	109603	121619	135609	143721	8112	22102
% Share of Domestic deposits	71	68	66	67	66	64	62	62	0	-2



A. Banking Group wise Growth in Deposits

(Rs. in crores)

Sl. No.	Banking group	Total Deposits			% Share in Total Deposits (Sept.16)	Variation		% Share in Growth	
		Sept. 2015	Mar. 2016	Sept. 2016		Mar.'16 - Sept.'16	Sept.'15 - Sept.'16	Mar.'16 - Sept.'16	Sept.'15 - Sept.'16
1	State Bank Group	114218	121241	127051	33	5810	12833	5	11
2	Nationalized Banks	91251	95637	99519	26	3882	8268	4	9
3	RRB	8808	10334	10913	3	579	2105	6	24
4	Private Sector Banks	124625	134382	142192	37	7810	17567	6	14
	Total	**338902**	**361593**	**379675**	**100**	**18082**	**40773**	**5**	**12**

B. Population GroupWise/Banking Group Wise Distribution of Deposits

Population Group wise Distribution of deposits

(Rs. in Crores)

Banking Group	Total deposits				Percentage Distribution				Share of Banking Group in Total Deposits
	Rural	Semi-Urban	Urban	Total	Rural	Semi-Urban	Urban	Total	
State Bank Group	4296	75576	47180	127051	1	20	12	33	33
Nationalized Banks	3040	53266	43212	99519	1	14	11	26	26
RRB	557	8112	2243	10913	0	2	1	3	3
Private Sector Banks	6133	82595	53465	142192	2	22	14	37	37
Total	14026	219549	146100	379675	4	58	38	100	100

6.4. NR Deposits (Refer Annexure 8.2)

Population Group wise/Banking Group wise Distribution of NR Deposits

(Rs. in crores)

Banking Group	N R Deposits				Percentage Distribution				Share of Banking Group in Total NR Deposits
	Rural	Semi-Urban	Urban	Total	Rural	Semi-Urban	Urban	Total	
State Bank Group	1532	32954	17019	51505	1.07	22.93	11.84	35.84	35.84
Nationalized Banks	743	19089	11035	30867	0.52	13.28	7.68	21.48	21.48
RRB	33	502	41	576	0.02	0.35	0.03	0.40	0.40
Private Sector Banks	2564	40176	18033	60773	1.78	27.95	12.55	42.29	42.29
Total	**4872**	**92721**	**46128**	**143721**	**3.39**	**64.51**	**32.10**	**100**	**100**

6.5. Domestic Deposits

Share of Domestic Deposits in Total Deposits (%)

March. 2015	Sept. 2015	March. 2015	Sept. 2015
65.73	64.11	62.5	62.15

6.6. Credit Expansion (Refer Annexure 8.2)

Growth in Advances of the Banking sector in the State

(Rs. in crores)

Parameter	Total Advances Outstanding over the Years							
	Mar. 2013	Sept. 2013	Mar. 2014	Sept. 2014	Mar. 2015	Sept. 2015	Mar. 2016	Sept. 2016
Total Advances	175087	181166	192010	204405	218706	222791	232418	248802

Share of Banking Groups in Total Advances of the State

(Rs. in crores)

Banking Group	Total Advances				Percentage Distribution				Share (%) in Total Advances
	Rural	Semi-Urban	Urban	Total	Rural	Semi-Urban	Urban	Total	
State Bank Group	3793	33427	29658	66879	2	13	12	27	27
Nationalized Banks	2413	39858	40582	82853	1	16	16	33	33
RRB	794	10862	1240	12897	0	4	0	5	5
Private Sector Banks	2327	37183	46663	86173	1	15	19	35	35
Total Commercial Banks	9328	121330	118143	248802	4	49	47	100	100

6.7. Credit-Deposit Ratio (C D Ratio) (Refer Annexure 8.3)

The Credit-Deposit ratio of the Commercial Banking sector of the State has increased by **1.4%** during the quarter to reach **62.15%** as at September 2016.

Banking Group wise C D ratio as at September 2016

Banking Group	C D Ratio - Percentage Distribution			
	Rural	Semi-Urban	Urban	Total
State Bank Group	88.30	44.23	62.86	52.64
Nationalized Banks	79.37	74.83	93.91	83.25
RRB	142.54	133.90	55.27	118.18
Private Sector Banks	37.95	45.02	87.28	60.60
Total	66.51	55.26	80.86	65.53

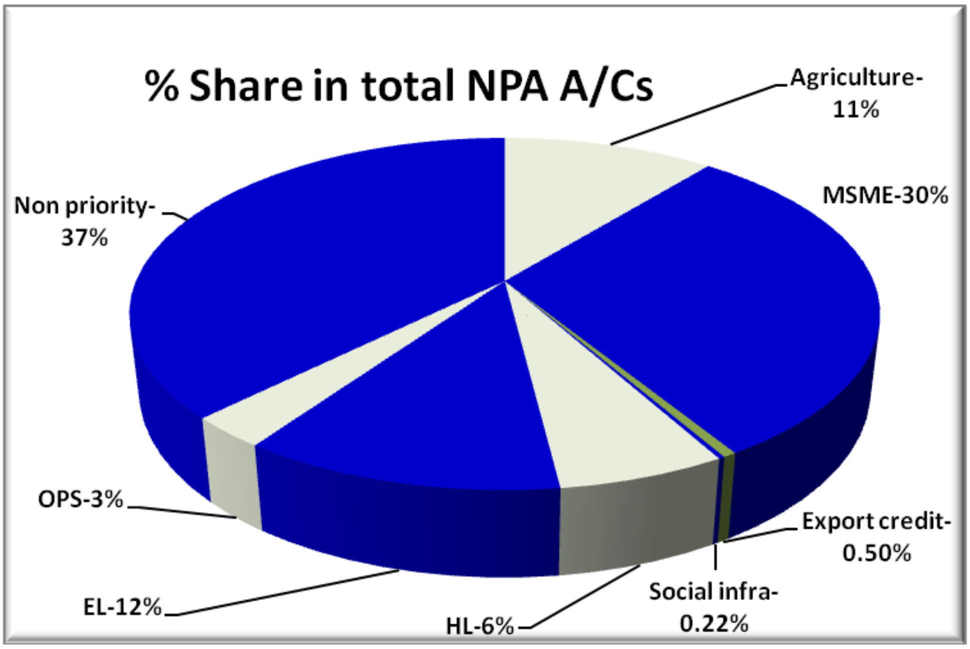
Reporting Quarter	Deposits (Rs. in crores)	Advances (Rs. in crores)	CD Ratio
Mar-14	279655	192010	68.66
Jun-14	283928	192561	67.82
Sep-14	292709	204405	69.83
Dec-14	303065	207974	68.62
Mar-15	319890	218706	68.37
Jun-15	328763	218739	66.53
Sep-15	338902	222791	65.74
Dec-15	349043	225405	64.58
Mar-16	361593	232418	64.28
Jun-16	370412	237551	64.13
Sep-16	379675	248802	65.53

6.8. NPA Position of Commercial Banks (Refer Annexure 8.35)

Sectorwise NPA outstanding

(Rs. in crores)

Net NPA Outstanding as on Sept 2016		
Parameter	No of Accounts	Amount Outstanding
Priority Sector	**289637**	**591999**
(1)Agriculture	87825	102983
(2)MSME	115731	286553
(3)Export credit	77	4689
(4)Social infrastructure	24	2120
(5)Housing loan	17935	57823
(6)Education loan	49104	110462
(7)Other priority sector	18941	27369
Non priority sector	**136075**	**353468**
Total NPA	**425711**	**945467**



6.9. Progress under Road Map for opening Brick & Mortar branches in villages with population more than 5000 without a bank branch

Roadmap - Progress in opening brick and mortar branches in villages with population more than 5000					
Statement of Progress during the Quarter ended 30th September 2016					
Sl. No.	Name of District	Name of Scheduled Commercial Banks selected to open brick and mortar branches in villages with population more than 5000 without a bank branch of a scheduled commercial bank	Number of allotted villages	No. of villages where brick and mortar branches opened	
				Brick and mortar branches opened during the quarter ended Sept 2016	Total brick and mortar opened upto the end of Sept 2016
1	PATHANAMTHITTA	KERALA GRAMIN BANK	1	0	1
2	THRISSUR	KERALA GRAMIN BANK	1	0	0
3	KOZHIKODE	KERALA GRAMIN BANK	1	0	0
4	WAYANAD	STATE BANK OF TRAVANCORE	1	0	0
5	WAYANAD	KERALA GRAMIN BANK	2	0	1
Total			**6**	**0**	**2**

6.10. Status of Loan Outstanding under Stand up India Programme as at September 2016 (Refer Annexure 8.46)

(Rs. in crores)

Name of the bank	Amount		No. of A/C	
	SC / ST	Women	No. of SC / ST	No. of Women
State Bank Group	0.23	7.45	6	74
Nationalized Banks	8.73	31.39	57	303
RRB	0.00	0.41	0	3
Private Sector Banks	0.44	8.74	2	56
State Total	**9.40**	**47.98**	**65**	**436**

However, the Standup Mitra Portal data as on 2016 December 2016 reflects only the following figure:

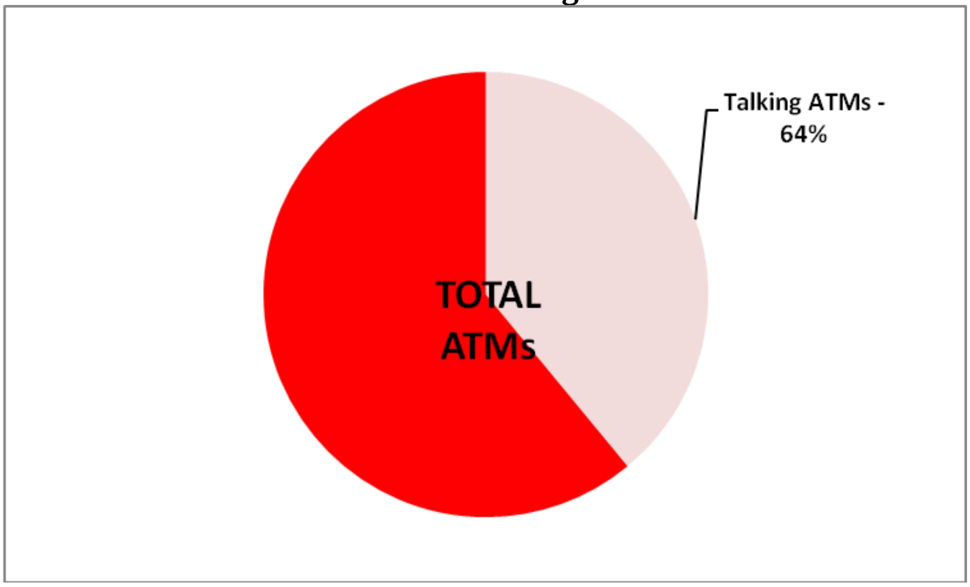
No. of Sanctions	Amount of Sanction	Amount Disbursed
395	**79 Cr**	**37 Cr**

The updation in the portal needs to be done by the banks to reflect the actual sanctions under the scheme in the portal.

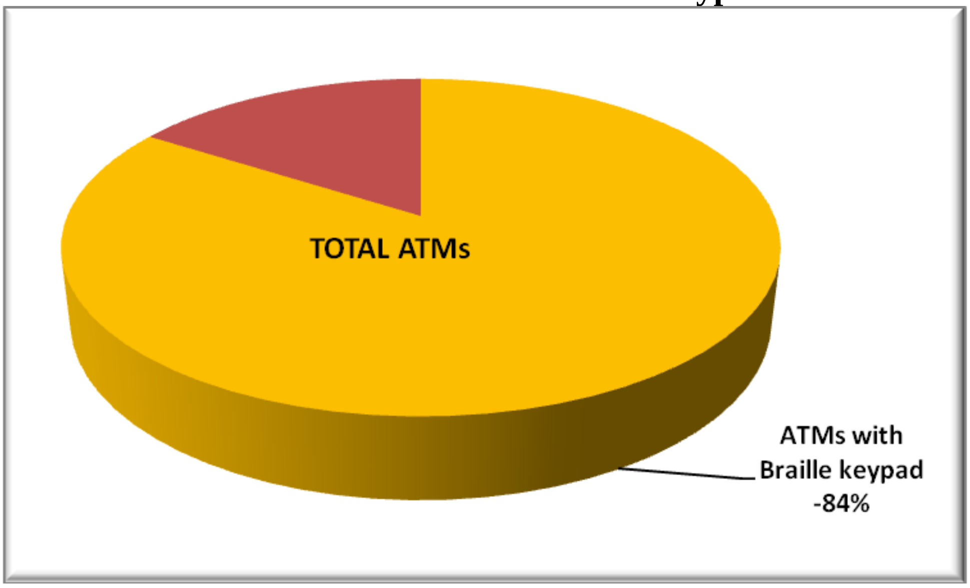
6.11. Status of Creating Banking environment for the visually challenged
(Refer Annexure 8.24)

Banking Group	No.of ATM Outstanding	No. of talking ATMs	No. of ATMs with Braille keypad
State Bank Group	2825	2706	2806
Nationalized Banks	2719	1339	1464
RRB	280	280	280
Private Sector Banks	2975	1303	2819
State Total	**8799**	**5628**	**7369**

% Share of Talking ATMs



% Share of ATMs with Braille keypad



6.12. Progress of NULM/NRLM Initiatives (Refer Annexure 8.10)

The data submitted by the Controlling Offices of banks reveals that Commercial banks in the State have sanctioned **102 lacs under NULM** during the second quarter of the year 2016-17. The amount outstanding as at September 2016 is **Rs. 13.35 crores in 1339 A/Cs**

The data submitted by the Controlling Offices of banks reveals that Commercial banks in the State have sanctioned **28 crores under NRLM** during the second quarter of the year 2016-17. The amount outstanding as at September 2016 is **Rs. 441 crores** in **31601 A/Cs.**

7. Any Other Matter with the Permission of Chair