

Annexure-9.50 - Action Taken Report on the implementation of Directives of Finance Ministry

Sl.No.	Ministry Directive	Action Plan Proposed by Ministry	ATR by Banks & LDMs
1	Whether each non-defaulter farmer living in the village falling in the service area of the branch has got a Kisan Credit Card (KCC)	• 100% coverage of farmers in the state to be achieved. Banks to cover all farmers in the allotted Service Area • Banks were advised to conduct credit camps jointly with Krishi Bhavans so as to mobilize maximum number of loan applications.	➤ All Banks have confirmed issuing KCC. However, due to lack of authenticated data on farmers they expressed difficulty in confirming 100% coverage. ➤ Unofficial reports from Agriculture Department reveals that as per the registration process initiated for farmers 14.32 lakh registrations have been recorded. As per SLBC data, banks have issued 17.68 lakh KCCs which reveals that almost 100% coverage has been effected which is subjected to confirmation reports.
2	Banks to implement revised ATM enabled KCC scheme. SLBC convenor to identify pilot districts (2-4) in each state and the entire state is to be covered by Sept 2012.	• Banks have been advised to cover all new KCC accounts and those due for renewal this year as ATM enabled KCC as per revised scheme. Ministry had advised that the entire process shall be completed by Sept 2012.	➤ SLBC has identified Alappuzha & Palakkad as pilot districts and special DCC meetings were conducted in these districts requesting banks to implement the same. LDMs of these Districts have confirmed initiation of the new guideline. ➤ As per available records only 10 Banks have rolled out the ATM enabled KCC facility (SBT,SBI, Canara Bank, IOB, UBI, PNB, Syndicate Bank, Indian Bank, Corporation Bank & Federal Bank). Other banks to confirm compliance to SLBC.
3	Whether each non-farmer family living in rural area falling in the service area of the bank has got a Savings-cum-OD Account.	<i>All banks to evolve a facility to provide OD in savings account.</i>	➤ Banks to inform the latest position to SLBC.
4	Whether extra manpower has been posted in rural and semi-urban branches to see that each village of 2000 more population is visited once a week on a fixed date, time and place and supports BCs for undertaking requests for account opening, loan and recovery.	<i>Semi urban/rural branches to be adequately staffed so as to ensure smooth implementation of financial inclusion programmes/directives</i>	➤ Banks have confirmed having provided adequate man power to rural/semi-urban branches. They have also confirmed that officials of the base branch are visiting the FI village once a week on a fixed date, time and place.

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5	Whether Branch Manager himself visits one village in a week.	<i>Branch Manager has to visit each of the service area village on a notified day every week.</i>	➤ <i>All participating banks have confirmed compliance in this regard.</i>
6	Whether schedule for opening new branches as per the new guidelines on Financial Inclusion has been prepared and being implemented	<i>Banks must try to open as many brick and mortar branches in all habitations with population of 10,000 and above without any bank branches at present with in a radial distance of 5 kms. The process is to be completed by September 2012.</i>	➤ <i>Except PNB (2 villages) and Dhanlaxmi Bank (1 village), all other allotted banks have opened branches/USBs before the cut off date of <u>30.09.2012</u> stipulated by the Ministry. The bank wise - District wise progress as at 30.11.2012 is given in the <u>Annexure-9.57.</u></i>
7	(a) Whether accounts are being opened as per guidelines on KYC issued by DFS. (b) No. of households without account within 500 M of semi-urban/urban/metro branch	<i>Ministry has issued Guidelines for</i> ○ <i>Opening of accounts by close relatives,</i> ○ <i>Full operational facilities in joint account with spouse,</i> ○ <i>Account portability / opening of new bank accounts</i> ○ <i>Opening of accounts of migratory workers.</i>	➤ <i>KYC norms are complied by Banks.</i> ➤ <i>Regarding opening of accounts for migrant labourers banks/LDMs have reported having initiated campaigns for ensuring coverage of the target group.</i> ➤ <i>Call Centre for Urban Financial Inclusion has been opened for the public for clarifying doubts/issues relating to bank account opening and other process with No.1800 425 11222. Many banks are yet to nominate nodal officers for dealing the issues connected with call centres. Detailed write up on call centre is enclosed as <u>Annexure-9.61.</u></i>
8	Preparation of District Service Plan and uploading of the same on district website as per format revised by DFS	<i>Service area approach would be adopted for the coverage of entire country for financial inclusion. Service area of bank branches are to be defined by LDMs, both for existing and new branches and the service area plan for the entire district is to be prepared and uploaded in the District website.</i>	➤ <i>LDMs of Trivandrum, Ernakulam, Malappuram, Kozhikode and Wayanad are yet to confirm uploading of the revised Service Area Plan format in the website.</i>

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9	E-payment and Electronic Benefit Transfers under 32 schemes	<i>Presently 32 schemes are in operation, funded by the Government of India, under which benefits are to be given directly to the beneficiaries. Transfer of such subsidies into the accounts of the beneficiary under Electronic Benefit Transfer would enhance the efficiency of delivery of such services. Benefits in the areas covered under Financial Inclusion must be transferred electronically into the accounts of the beneficiaries.</i>	➤ <i>No progress is observed in this directive as the State Government is yet to evolve a common guideline.</i>
10	Issuance of General Purpose Credit Cards (GCCs).	<i>Each non defaulter non farmer living in the Service Area without any landholdings is to be granted a credit facility in the form of GCC.</i>	➤ <i>It was observed that some banks are not having the credit product - GCC. Banks' to confirm having implemented the GCC product.</i>
11	List of villages having connectivity problem (block, name, census code of village-2001 census) is to be identified.	<i>Broadband connectivity to be ensured in all FI villages.</i>	➤ <i>All villages have broadband connectivity and no issues have been brought to the notice of SLBC.</i>
12	Setting up of Ultra Small Branches (USB) in each FI village	<i>Considering the need for close supervision and mentoring by the respective bank branch taken up/being taken up under Financial Inclusion Plan, and to ensure that a range of banking services are made available to the residents of such villages, USBs are to be set up in all villages covered under financial inclusion. The bank branch responsible for financial inclusion of the village in its Service Area would designate a specific officer to visit such villages on pre-notified fixed day and time every week.</i>	➤ <i>57 USBs have been reported to be opened by the banks. USBs are to be set up in 34 more villages and the outer limit given is <u>31st March, 2013.</u> The position as at September 2012 is given in the <u>Annexure-9.36.</u></i>

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13	The bank branch responsible for financial inclusion of the village in its Service Area would designate a specific officer to visit such villages on pre-notified fixed day and time every week with a laptop which should have VPN connectivity to the CBS so that various other services such as account balance, etc. could be offered. The officer shall also undertake various verification, field inspections, etc., for allowing undertaking of banking functions by the person concerned.		➤ <i>All banks have confirmed compliance of this aspect.</i> ➤ <i>LDMs were instructed to inform the factual position in the field after inspecting the FI villages in their district – Reports are awaited.</i>
14	Urban Financial Inclusion - Launch of campaign to ensure at least <u>one bank Account for each family</u> & capturing of Biometrics while opening accounts.	➤ <i>Service Area has already been allotted to all banks by LDMs. It is the responsibility of bank branches to ensure that each household in the specific ward in their service area are having a bank account.</i> ➤ <i>The campaign is to be conducted in rural, semi urban and urban centres.</i>	➤ <i>Wayanad & Pathanamthitta LDMs were instructed to complete the task of opening one bank account per family before 31.10.2012 as per the commitment given to the Finance Secretary. Accordingly survey is in progress in the above districts and the task is expected to be completed by 25.12.2012.</i>
15	Opening of one bank account per family in Service Area villages which is to be used for EBT/DTKS by making use of data from Census directorate (2011 census) / District Supply Officer.	➤ <i>Ministry has directed that this shall be ensured with the help of latest electoral roll.</i> ➤ <i>Wherever people are having accounts with co operative banks under CBS enabled with NEFT facility, no separate accounts need to be opened.</i>	➤ <i>The same task is to be initiated in other districts too by LDMs so as to complete the same by 28.02.2013. Necessary instructions from SLBC has already been issued to the LDMs/Controlling Offices of banks</i>

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16	Financial Inclusion drive to open bank accounts of migrant labour and street vendors / hawkers in Urban areas	<i>Government desires that to begin with, accounts of all migrant labour and street vendors / hawkers who are working within 500 metres of the branches in urban and metro areas, should be opened. To achieve this marketing staff of branches should contact personally all street vendors / hawkers who are working within 500 metres of the branches to open their accounts. Thereafter, the branches should extend this process of opening of accounts beyond 500 metres so that all such persons get financially included.</i>	➤ Individual banks are yet to confirm conduct of these campaigns. ➤ Call Centre has been opened to facilitate opening of accounts. Toll Free Number : 1800 425 11222 Mobile No. for SMS : 9845762211 Email ID : slbckeralaufi@canarabank.com <i>Detailed write up on call centre is provided in <u>Annexure- 9.61</u></i>
17	Preparation of Comprehensive District Financial Services plan in each district with the coordination of banks, insurance companies & Govt Departments	<i>In order to develop a comprehensive framework for delivery of financial services and to promote financial inclusion, it is necessary that the comprehensive financial services plan for the entire district and state is prepared by the co ordination of LDM, DDM, nodal officers of public sector insurance companies - both life and non life.</i>	➤ A core group consisting of Insurance Companies, LDMs of Trivandrum & Kollam, SBI, SBT, Federal Bank & Canara Bank was constituted to take this item forward. ➤ The Group shall deliberate in depth the following. ✓ Components of the plan ✓ Roles & responsibilities of stakeholders ✓ Micro insurance integration with BC/CSPs ✓ Preparing a draft format for preparation of the plan ✓ Popularization of micro insurance products ✓ Approval process of the plan ✓ Integration with Banks Annual Credit Plan ✓ Implementation & mechanism of periodic review of performance against targets etc. <i>The core Group is yet to meet.</i>

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18	Installation and Managed Services of Cash Dispensers (CDs) in each District - District Month wise & Bank Month wise plan.	RFP is to be floated by Public Sector Banks for “Outsourcing of Installation and Managed Services of Cash Dispensers (CDs)” on a geographical cluster basis. Banks to prepare District-Month wise Rollout Plan which will be used by the lead bank for the preparation of the District-Month wise and Bank-Month wise Rollout Plan for the State/UT.	➤ The team from NCR Corporation – the agency entrusted with the roll out of CDs in the State of Kerala had made a presentation on the roll out plan in the subcommittee meetings of SLBC held on 15.10.12 and 11.12.2012. ➤ The progress made by banks would be reviewed in special subcommittee meeting of SLBC for Financial Inclusion and Finance Ministry Directives.
19	Data entry module for GIS for Financial Inclusion through web site of DFS - Periodical updation of data.	The project envisages capturing existing information about bank branches, ATMs, clearing houses and currency chests of Scheduled Commercial Banks and branches of Insurance Companies at village level. This would enable the Department to easily identify the areas where expansion of branch/ATM/network needs to be carried out, set the targets for Banks/Insurance Companies and monitor the progress of such expansion.	➤ Though GIS data is uploaded by all LDMs, the gaps, errors, shortcomings need to be corrected and periodical updation of data should happen. Necessary instructions have already been given to LDMs.
20	Availability of web-based Desktop Video Conferencing and confirmation of opening of account & connectivity with DFS	The Desktop VC may be provided to Lead District Managers in the Bank and to the SLBC Convenors who do not have access to the VC facility. The Desktop VC facility can also be used by the DFS to interact with LDMs and SLBC Convenors. In the second phase, the VC facility shall be extended to the Bank Branches in the North East/ difficult areas/ remote districts, etc.	➤ 12 out of the 14 LDMs have confirmed installation of the facility as at 30.11.2012. Facility is yet to be set up for Ernakulam, and Idukki, Districts. ➤ Union Bank of India is requested to provide the facility at the earliest.

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21	Automation of State government Treasuries and Interface with banks	Automation and interface of state Govt treasuries with banks would facilitate convenient and smooth processes, instant fund transfer, quick credit to beneficiaries accounts, cost & time efficient transactions, quick settlement of claims etc	➤ <i>SLBC had taken up the matter with state government and response in the matter awaited. However, the issue is taken up as agenda item and being followed up by SLBC.</i>
22	Implementation of Scheme for Promotion of Women SHGs in Backward Districts of India- leveraging NGOs as Business Facilitators. Wayanad & Palakkad Districts are identified in the state.	The scheme envisages identification of an anchor NGO in each of the select backward districts of the country, which will work as promoting and nurturing agency for SHGs as also facilitator bank linkages and recovery of loans from SHGs for a due consideration. This approach is expected to facilitate sustained financial inclusion through bank loan, promote livelihood development of women and deliver social development programmes for Women through SHGs	➤ <i>Wayanad social service society is identified as the anchor NGO in Wayanad. 275 groups are formed and 167 accounts are opened by all banks put together and 48 are credit linked.</i> ➤ <i>In Palakkad the Attapadi Hill Area Development Society (AHADS) which was identified as anchor NGO has been disapproved by NABARD. Hence, a new anchor NGO has to be identified and activities proceeded with. LDM, Palakkad to inform the position.</i> <i>LDMs of Wayanad, Palakkad, Controlling office of Canara Bank to inform the present status of implementation.</i>