130th Meeting of State Level Bankers Committee, Kerala
Agenda & Background Notes

1. ADOPTION OF MINUTES OF 129th SLBC 2019

The minutes of 129th State Level Bankers Committee Meeting held on 03rd January 2020 were circulated vide SLBC letter no SLBC/K/129/Minutes/AJS dated 10th Feb 2020

The house may adopt the said minutes.

2. PENDING ISSUES

2.1 <u>Pending Issues in Primary Sector</u>

2.1.1. <u>Doubling Farmers' Income by year 2022</u> (Suggested by Reserve Bank of India)
The SLBC standing sub committee on Primary Sector had made the following strategies for doubling of farmers income**:**

- Reducing the cost of production.
- Increase the Minimum Support Price of crops with periodical revision.
- Insure the farmers against crop loss through crop insurance at an affordable premium.
- Adopting latest technology right from sowing to marketing.
- Hassle free credit with thrust on investment credit.
- NABARD may formulate area based schemes in tune with PLP.
- Innovative ideas like farm tourism to be encouraged.
- Pisciculture to be encouraged under blue revolution.

Progress so far in increasing farmers' income was nullified by the devastating flood especially in the agricultural sector. The state is recovering from the loss**.**SLBC has initiated natural calamity measures to overcome the disaster**.** Limited credit exposure to the lease farming sector in Kerala was an issue pointed out by the SLRM.

Action Taken:

1. SLBC has made the following recommendation to the State Government on issues related to lease land farming:

Ref: Kerala SLBC/95 /78/GN/2018 ***Date: 2018 July 13th***

To

THE PRINCIPAL SECRETARY (FINANCE)
GOVT OF KERALA

Dear Sir,

Sub: Reducing Stamp duty & Registration fees on lease deeds for lease land cultivation

Ref: Meeting held by your office on 2018 June 28th

This with reference to the discussion we had with you in the above meeting. We are submitting a recommendation for reducing the stamp duty and registration fees on deeds executed for lease of farm lands for cultivation

1. Our Specific Recommendation

- *Lease deeds for periods exceeding 11 months are compulsorily registrable in |Kerala . The prevailing charges for registration is 7 %(stamp duty : 5 % stamp duty on average annual rent (AAR) & 2 % registration fees 2 % AAR*
- *This is applicable for leasing farm land for cultivation also*
- ***SLBC Kerala recommends that the above tariffs may be brought down to a reasonable rate of 1 % stamp duty & 0.5 % registration fees in the cases of lease deeds executed for leasing farm lands for cultivation***

2. Need for the above recommendation

a) For increasing lease land cultivation

- *1, 27,838 Ha of land is lying fallow (current fallow & other than current fallow) in the state*
- *This in addition to the increasing underutilisation of land under tree crops for intercropping (as is evident from the falling crop intensity over the decade)*
- *Lease farming can be promoted on these lands. As of now many farmers and self help groups are engaged in lease farming. But their scale of operation is small.*
- *Non availability of credit from banks is a limiting factor. Most of these farmers have only unregistered lease, which a banker can treat as oral lease only and can only lend small sums. As a result they either cultivate less, or go to the money lender for larger sums.*
- *Reducing the registration costs, the lease farming sector can be opened up to the formal banking channels.*

b) In Opening up Rubber Slaughter tapping & Replanting activity to formal banking channels

- *Out of the 5,51,050 ha Rubber plantations in the state around 36700 ha go for slaughter tapping and replanting every year. After the economic life period, the rubber plantations are let out for two years' slaughter before felling the trees and replanting*
- *In the first four years after replanting, the plantations are once again leased out for 4*

years' intercropping (pine apple or tapioca)

- *Compared to the previous item, the amount involved in the lease is also large (ranging from 4 laths upwards per acre). Here also the cost of registration discourages the beneficiaries from registering the lease deeds*
- *As a result the lessees are not able to raise loans from Banks. So the activity is funded by parallel economy and money lenders.*
- *Rationalising the registration cost can open up the activity to formal banking channels .*

3. Win – Win Situation for all

- *Farmers will benefit by getting cheaper credit in adequate quantity*
- *Banks will be able to lend more in agriculture*
- *Govt will gain more revenue through more registrations*
- *The society at large will benefit from more agriculture output*

In view of the above, we recommend that the stamp duty and registration fees on lease deeds for farming activities may be brought down as suggested in para no 1 .

We also suggest that Govt may kindly examine in similar lines, the premises leasing practice in MSME sector. The feedback from banks is that many small and micro enterprises are taking premises on 11 months' lease and renewing them every year to circumvent the registration. Due to this the small manufacturing units working on rented premises are unable to avail long term loans from banks

Despite pursuing the matter in all subsequent SLBC meetings, we are yet to receive reply from the Government.

2. *SLBC constituted a subcommittee with Insurance Companies. The subcommittee had met on 09/05/2019 and suggested measures for penetrating insurance coverage to maximum farmers which would help them to overcome crop losses. The subcommittee has also requested AIC to give maximum publicity to it which is being done. The Statistics also reveal that the penetration is improving.*

3. *KCC Saturation Campaign was launched at Calicut on 06/07/2019. LDMs have conducted several awareness campaigns for its promotion.*

4. *SLBC subcommittee on Agriculture held on 23.01.2020 discussed the matter in detail and suggested the following;*

    a. *Coverage of farmers under Kisan Credit Card Scheme to enable them with low cost credit facilities.*
    b. *Financing of SHG and JLG members for under taking agriculture activities, financing farmer producer organizations and agriculture allied activities are important in doubling of farmers' income.*
    c. *Digitalisation of land records and model leasing Act shall be implemented.*

2.1.2. Suggestions of National level Monitoring Committee (NLMC) on Pradhan Mantri Fasal Bima Yojana (PMFBY) (Suggested by NABARD)

The captioned meeting was convened on 8th May 2018 at Krishi Bhawan, New Delhi under the Chairmanship of Dr. P.K.Mishra, Addl. Principal Secretary to the Hon'ble Prime Minister. The committee observed that there is increase in the coverage of GCA from 22% to 30%, increase in coverage of non-loanee farmers from 5% to 24%, there is quick disposal of claims, increase in notified crop combination from 80 to 200, remote sensing technology has been used selectively for Crop Cutting Experiments and ,National Crop Insurance Portal has become functional during 2017.

However, the committee had expressed its concern over the following areas:

- Banks have not been strictly complying with the compulsory coverage of loanee farmers
- Poor response by banks to cover non-loanee farmers. Extent of coverage of non-loanee farmers is quite low
- Aadhar details of the beneficiaries of the scheme are not being captured mandatorily by the Banks.
- Banks have failed to verify whether the crops that have been declared by the farmers are actually being grown by them.
- Delayed and inaccurate uploading of farmer's data in the National Crop Insurance Portal (NCIP).
- Delayed and incorrect remittance of insurance premium by the Banks to Insurance Companies.
- Slow response by Banks in the reconciliation drive of Kharif 2017.

2. We therefore, request you to incorporate the above issues in the agenda for ensuing SLBC meeting for increasing the coverage of crop insurance under PMFBY in the state of Kerala.

The 128th SLBC forum observed that the coverage of PMFBY is less in Kerala. The Kerala State Government is having State Crop Insurance Scheme, parallel with PMFBY. There are instances where the farmers have to opt for both PMFBY and Kerala State Crop Insurance which leads to a situation of double insurance since PMFBY coverage is mandatory for notified crops.

Members of the SLBC pointed out that the State Crop Insurance has many advantages over PMFBY. State crop insurance is tailor made to the situations of Kerala State, which covers 27 crops pertinent to the State and applicable to all over Kerala. The claim settlement procedure is also easy compared to PMFBY & RWBCIS as such farmers in Kerala are reluctant to take the PMFBY.

The SLBC forum opined that, either PMFBY scheme should be aligned with the State government insurance scheme or the farmers should be given an option to choose between the two schemes.

Since State's insurance is more acceptable to farmers in Kerala, SLBC had written a letter to DFS on 29/11/2019 on whether the option can be given to the farmers on opting between PMFBY or State's insurance.

Ministry of Agriculture & Farmer welfare vide No.13015/02/2015-Credit II implemented revamped Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS). As per the revised operational guidelines, enrollment under the scheme is made ***voluntary*** *for all the farmers (Both PMFBY/RWBCIS).*

The main objective of making enrollment under the scheme voluntary is to empower farmers to take informed decision on mechanisms to protect their crops. This provision is expected to lead *to a decrease in coverage of farmers, especially in low-risk areas, due to which the overall premium rates may increase resulting into increased rate of premium subsidy for both Central and State Government. There is a need for all stakeholders to implement extensive IEC activities to increase awareness and outreach among farmers and also promote enrolment.*

Existing loanee farmers will be given a provision to opt –out from the scheme by submitting requisite declaration to concerned bank branches anytime during the year but at least by seven days prior to the cut-off date for enrollment of farmers for the respective seasons. Bank branches shall conduct special awareness drive among existing loanee farmers in this regard. Bank branches shall also be directed to maintain proper records of farmer declarations.

Farmers who approach banks for renewal/fresh issue of Kisan Credit Card (KCC) shall be asked by the respective bank branches to convey their willingness to participate in the scheme and will be enrolled accordingly by the concerned bank branches on National Crop Insurance Portal.

2.1.3. Credit Delivery Framework for Tenant Farmers (Agenda by Reserve Bank of India)

RBI is considering to introduce a framework to extend credit delivery for tenant farmers. The existing tenancy laws may be reformed so that both land owner as well as the tenant farmers are benefitted. The framework is in streamline with the Model Land Leasing Act released by NITI Aayog. This may be added as a regular agenda to be raised in the State Level Bankers' Committee meetings and the government of Kerala would be apprised the need of such framework.

In 126th SLBC, Additional Chief Secretary (Revenue) informed that instead of tenancy farming, licensed farming can be suggested. Once the bill becomes an act the issue can be resolved.

Action Taken:

It was reported by the Government of Kerala that the bill is ready for enactment. Once the bill becomes an act the issue can be resolved. However there is no further development in the matter.

2.1.4 Extension of Kisan Credit Card (KCC) Scheme for Animal Husbandry Farmers and Fisheries

Reserve Bank of India vide circular FIDD.CO.FSD.BC.12/05.05.010/2018-19 dated February 04, 2019, issued guidelines to all Scheduled Commercial Banks (including Small Finance Banks and excluding Regional Rural Banks) for extension of KCC Scheme to Animal Husbandry Farmers and Fisheries, to meet their working capital requirements.

State Level Bankers' Committee (SLBC) and District Consultative Committees (DCCs) shall ensure smooth extension of the KCC facilities to Animal Husbandry Farmers and Fisheries and monitor/ review the progress in the respective fora meetings.

SLBC has fixed target for individual banks and communicated. However, the performance of banks under the scheme is not encouraging.

2.1.5. Agenda Suggested by Lead District Manager Alapuzha

MARKING OF 'BANK'S HYPOTHECATION CLAUSE' IN AGRICULTURAL INSURANCE POLICIES.

As opined in the last SLBC meeting, insuring the crop is absolutely necessary to cover the risk due to natural calamities, crop loss due to bad weather conditions etc.to support the famers.

In this regard, Banks/FIs and other stake holders are giving awareness to the farmers to cover their risk by insuring their crops and now most of them are willing to insure their crops.

In the BLBC meetings during November, 2019, some Branch Managers pointed out their difficulties due to non-inclusion of "Bank's Hypothecation clause' in the crop insurance policies, being issued by Agri. Department, Govt. of Kerala. This is to ensure that the claim amount in case of crop failure/loss is credited to the loan account itself.

Therefore, we request the Convener, SLBC, Kerala to take up the matter to the Principal Secretary, Department of Agriculture and Farmers Welfare, Govt. of Kerala to do the needful so as to incorporate the "Bank's Hypothecation clause' in Agriculture Insurance policies.

The matter was discussed in the 4th meeting of Regional Advisory Group (RAG) convened by NABARD. The forum suggested linking the State crop Insurance with Bank loan.

Steering committee requested to pursue the agenda

2.2 **Pending Issues in Secondary Sector**

2.2.1 Committees for Stressed Micro, Small and Medium Enterprises (Suggested by RBI)

In terms of RBI circular no. FIDD.MSME & NFS.BC.No.21/06.02.31/2015-16 dated March 17, 2016 on Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises (MSMEs), every bank shall form Committees for Stressed Micro, Small and Medium Enterprises, to enable faster resolution of stress in an MSME account, as per the following arrangements:

1. All banks having exposure towards MSME sector shall constitute a Committee at each District where they are present or at Division level or Regional Office level, depending upon the number of MSME units financed in the region. These Committees will be Standing Committees and will resolve the reported stress of MSME accounts of the branches falling under their jurisdiction.
2. For MSME borrowers having credit facilities under a consortium of banks or multiple banking arrangement (MBA), the consortium leader, or the bank having the largest exposure to the borrower under MBA, as the case may be, shall refer the case to its Committee, if the account is reported as stressed either by the borrower or any of the lenders under this Framework. This Committee will also coordinate between the different lenders.
3. All eligible stressed MSMEs shall have access to the Committee for resolving the stress in these accounts in accordance with regulations prescribed in this Framework.

Action Taken:

All the member banks confirmed that they have constituted Committees for Stressed Micro, Small and Medium Enterprises.

2.3 Pending issues in Teritiary Sector

2.3 . 1 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 (i.e. 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 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*

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 121st Meeting of SLBC, Kerala held on 24.03.2017 at Trivandrum, the representative from Revenue Department informed that the matter is under the active consideration of Revenue Department and at present the matter is placed before the Law Department for their advice and expected to sort out the issue shortly.

Govt of Kerala had called SLBC convener for a discussion in the matter. The questions raised by the Govt and the recommendation given by SLBC convener is given below

"This is with reference to the letters cited above and the discussion we had with the Govt on 2018 Feb 2nd and 7th on the matter. The subject of the letters cited above cover two aspects

1. ***You have informed us that our request for facilitating the noting of lien in Revenue records, shall not be considered in view of the proposed Registration Act amendment bill pending in Rajya Sabha***

Our recommendations *in this regard is that,*

- *The said bill is pending in Rajya Sabha since 2013. We are not certain about the time by* *which it may be passed*

- *Till that time, the State Govt may adopt the suggestion made by us , both as a measure to increase state revenue and to improve ease of doing banking business in the state*

2. ***You have requested us to give our views on the necessity of possession certificate and location sketch from village office for granting loans by banks. You have suggested that the Village Office shall issue the ownership certificate of land. The possession, enjoyment & location sketch may be sourced by banks through their own mechanisms***
3.

Our recommendations *in this regard is that*

- *Currently the certificate generally called "possession certificate" is the principal proof available to financing agencies to find out the ownership and enjoyment of the property as per Revenue Records.*
- *Though the certificate is generally called "Possession Certificate", it certifies ownership and enjoyment.*
- *This certificate is obtained not only by banks, but also by various other financing bodies including the Govt of Kerala for its HBA scheme for State Govt Servants (Under HBA scheme it is the Possession Certificate from Tahsildar and Location Sketch from Village Officer)*
- *Banks also ask Nil revenue recovery certificate from Village Office*
- *If the Govt can place an alternative mechanism to confirm the ownership and enjoyment of land as per revenue records, the possession certificate may be replaced.*
- *Such alternative can be*
  a) Access to the banker /land owner to view and download Thandapper Register details , or
  b) A combined ownership certificate cum Nil RR certification or
  c) Physical TP register Extract which shows with clarity as regards ownership and extent owned
- *In Northern Villages where Revenue Records are still maintained in Adengal registers present certification may continue*
- *As regards location sketch , we concur with Govt views "*

Based on the discussions in SLRM 2018, the Principal Secretary (Finance) held a meeting on 2018 June 28th .
As decided in the meeting , SLBC submitted the following recomendations to the Govt

i) Equitable Mortgages to be shown in registration records. A new mechanism need to be adopted for this and a reasonable charge should be levied for it. Bank has to be declared a public entity for the execution of the process. Action in this regard has to be done by Taxes and Registration Department.

ii) Necessary amendments in the Stamp Act may be introduced for the registration of equitable mortgages on bank loans.

iii) The registration fees should be made reasonable.

iv) SLBC is directed to submit a proposal to Taxes Department for exemption of registration fees and stamp duty on equitable mortgages on bank loans.

Recommendation of SLBC

1. Govt may introduce a system similar to GAHAN Registration (Gahan document is a declaration given in lieu of mortgage deed, to the co-operative banks and societies for taking loans.)
2. Based on a similar declaration given by the Manager of a Commercial Bank, the Sub Registrar may make a noting about the Equitable Mortgage in Book 1, "Register of non-testamentary documents relating to immovable property"
3. Govt may notify the Bank Manager as the holder of a public office to exempt his appearance in person or by agent at any registration-office in any proceeding connected with the registration of any instrument executed by him or in his favour, in his official capacity, or to sign as provided in section 58 of Indian Registration Act 1908
4. Govt may charge a reasonable fee for the facility as suggested in table 1 below.
5. Govt may also facilitate a real-time online search option in Book 1 at a reasonable fee

In 126th SLBC, forum decided to write a letter to the Govt Department to update the progress on the matter. On discussion with Sri Manoj Joshi IAS (ACS, Finance Dept) informed that subject matter to be taken up with Taxes Department, Govt of Kerala. Hence SLBC has written to Taxes department also.

STATE LEVEL BANKERS' COMMITTEE, KERALA

(Under Lead Bank Scheme of RBI)

Convenor: Canara Bank

Ref: Kerala SLBC/EM/199/MA/2019 Date : 11th Jan 2019

To
Sri P Venugopal IAS
Secretary (Taxes)
Government of Kerala

Dear Sir,

Sub : **Recommendations on noting Banks' Equitable Mortgages in Sub Registry Records**

Ref : 1) Meeting held by the Office of Pricipal Secretary(Finance) on 28th June 2018
2) SLBC pending Agenda on noting of Equitable Mortgage in Revenue Records
3) Our letter Ref: Kerala SLBC/SLRM 2016/75/GN 2018 dt.18th July 2018

As instructed by Additional Chief secretary (Finance), We invite your kind attention to our above referred letter on the subject matter. As it is a continuing Agenda in the SLBC (Pending since March 2014),and as decided in the 126th SLBC meeting we are taking up the matter for a favourable decision.

File No: IGR/3527/2018-RR9(1)

Office of The Inspector General of Registration
Vanchiyoor, Thiruvananthapuram 35.
Phone:0471-2472118/2472110/2474782
E-mail regig@kerala.nic.in
www.keralaregistration.gov.in
Date: 15/05/2019

Inspector General of Registration
Kerala

The General Manager, Canara Bank &
Convenor, SLBC
slbckerala@canarabank.com

Sir,

Sub -:Registration Department – State Level Review Meeting of SLBC – Agenda Item – forwarding of.

Ref -:Govt. letter No. J3/17/2019/TD dated 10.05.2019

Registration Department has no new agenda items to suggest for discussion in State Level Review Meeting of SLBC. However the Department is to invite attention to a long pending demand of SLBC, "Noting of equitable mortgage created in favour of banks in Revenue Records" which is pending in SLBC agenda since March 2014.

Banks grant loans on mostly on equitable mortgage. At present the equitable mortgages are not noted in Revenue Records. A few of them are registered mortgages. The high rates of Stamp Duty and Registration fees of mortgage and release deeds prevailed in the state have dispirited the banks from registering agreements relating to deposit of title deeds. Now Government have reduced the rates of stamp duty and registration fees of mortgage deeds by way of deposit of title deeds and release deeds thereof. Now the stamp duty for deposit of title deeds is 0.1% subject to a maximum of Rs 10,000/- and the stamp duty for release deeds of such mortgages is 1% subject to a maximum of Rs 1000/-. The registration fees of such mortgages and release deeds are 0.1%. The intention of the amendment is to encourage registration of the equitable mortgages. This will be a win-win situation for both Government and Banks. Banks will get the mortgages recorded in Registration records and there by prevent the alienation of property and Government will get revenue.

SLBC may convey the situation to all members and may take steps to register the mortgages and release deeds.

Yours faithfully

Signature valid
Digitally signed by R K SUJANKUMAR
Date: 2019.05.15 16:__:56 IST
Reason: Approved

Joint Inspector General of Registration
for Inspector General of Registration

Action Taken:

1. *SLRM 2019 informed that the charges suggested for other loans are reasonable and shall request for waiving the charges on Agricultural loans. No further communication received from the concerned department in this regard.*
2. *SLBC had a subcommittee meeting on long pending issues on 08/11/2019. Most of the banks concurred with the suggestions.*

2.3 . 2 Education Loan Repayment Support Scheme

The update in the scheme as on 19th December 2019 is given below

Government contribution Bank wise Report (2016-2018) – ELRS -19.12.2019

Sl No	Bank Name	Amount Processed By Bank Branch	Amount Forwarded By Nodal Officer	Amount Forwarded By SLBC	Amount Approved By Government
1	ALAPPUZHA DISTRICT CO OPERATIVE BANK LTD	6277698	5489252	5366622	4896332
2	ALLAHABAD BANK	2212856	365058	365058	315060
3	ANDHRA BANK	5258147	2150356	2150356	2003656
4	BANK OF BARODA	33817682	1.4E+07	1.4E+07	10925772
5	BANK OF INDIA	62177313	2.5E+07	2.5E+07	23368179
6	CANARA BANK	4.59E+08	2.2E+08	2.2E+08	206266310
7	CATHOLIC SYRIAN BANK LTD	50445125	3.8E+07	3.7E+07	36107286
8	CENTRAL BANK OF INDIA	1.22E+08	6.4E+07	6.4E+07	60319128
9	CITY UNION BANK LTD	0	0	0	0
10	CORPORATION BANK	79711611	5E+07	5E+07	45854519
11	DENA BANK	3230789	2485334	1759993	1759993
12	DHANLAXMI BANK LTD	13738003	6053890	5675576	5080054
13	FEDERAL BANK LTD	3.08E+08	2E+08	2E+08	182564438
14	HDFC BANK LTD	1356213	57251	0	0
15	ICICI BANK LTD	1170318	340702	0	0
16	IDBI BANK LTD	1772590	160479	0	0
17	IDUKKI DISTRICT CO OPERATIVE BANK	14784890	5407381	5407381	5407381
18	INDIAN BANK	92937421	4E+07	4E+07	36747391
19	INDIAN OVERSEAS BANK	1.44E+08	6.5E+07	6.4E+07	53240014
20	KANNUR DISTRICT CO OPERATIVE BANK	337831	239656	160481	160481
21	KARNATAKA BANK	2298045	334562	232500	232500
22	KARUR VYSYA BANK	373824	203584	203584	0
23	KASARGOD DISTRICT CO OPERATIVE BANK LTD	415314	415314	415314	409800
24	KERALA GRAMIN BANK	3.81E+08	3.7E+08	3.7E+08	358758026
25	KERALA STATE CO OPERATIVE AGRICULTURAL AND RURAL DEVELOPMENT BANK LTD	1149434	938431	542431	346729
26	KERALA STATE CO OPERATIVE	88941143	8.3E+07	8.3E+07	81969512

	BANK				
27	KOLLAM DISTRICT CO OPERATIVE BANK	11744118	1.1E+07	1E+07	10151088
28	KOTTAYAM DISTRICT CO OPERATIVE BANK	0	0	0	0
29	MALAPPURAM DISTRICT CO OPERATIVE BANK	0	0	0	0
30	ORIENTAL BANK OF COMMERCE	8928697	4100389	4100389	4100389
31	PATHANAMTHITTA DISTRICT CO OPERATIVE BANK LTD	1455721	1058389	1058389	1058389
32	PUNJAB NATIONAL BANK	86394190	3.7E+07	3.7E+07	32681982
33	PUNJAB SIND BANK	316082	198000	198000	198000
34	SOUTH INDIAN BANK	63433337	3E+07	3E+07	27024848
35	STATE BANK OF INDIA	9.88E+08	5.8E+08	5.7E+08	534793177
36	SYNDICATE BANK	1.86E+08	9.5E+07	9.3E+07	79288398
37	TAMILNADU MERCANTILE BANK	1029551	366179	250151	250151
38	THE THIRUVANANTHAPURAM DISTRICT CO OPERATIVE BANK	123000	123000	0	0
39	THRISSUR DISTRICT CO OPERATIVE BANK	280897	280897	280897	280897
40	UCO BANK	19857994	1E+07	9567198	9567198
41	UNION BANK OF INDIA	2.26E+08	1.3E+08	1.3E+08	125101649
42	UNITED BANK OF INDIA	862255	862255	757136	646988
43	VIJAYA BANK	37197180	1.4E+07	1.4E+07	13852982
44	WAYANAD DISTRICT CO OPERATIVE BANK	475716	153450	0	0
	TOTAL	3.51E+09	2.1E+09	2.1E+09	1955728697

The 126th SLBC forum also recommended a cost sharing formula for the expenses incurred by SLBC for verification and scrutiny of all the applications based on the share of applications accepted by the finance department and funds released. SLBC requested the member banks for the individual banks contribution vide email dated 08.11.2019. Some of the member banks are yet to remit their share of expenses. SLBC requests to clear the dues immediately.

2.3.3 Revamp of Lead Bank Scheme (Agenda by RBI)

SLBC Convener banks/ Lead Banks should ensure strict compliance of all the action points mentioned in the Revamp of Lead Bank Scheme as per our letter No.FIDD.CO.LBS.BC.No. 19/02.01.001/2017-18 dated April 06, 2018.

These include:-

1. Constitution of a steering sub-committee having representatives as mentioned in the aforesaid circular in order to finalize a compact agenda in the SLBC meetings
2. Convergence of Annual Credit Plan under Lead Bank Scheme with business strategy of banks
3. Standardization of SLBC website to download the relevant data directly from CBS, keeping manual intervention to a minimal level to maintain data accuracy
4. Active and necessary participation of all branch managers in the BLBC meetings and the controlling heads of banks may selectively attend such meetings
5. Active Participation of RSETIs in the DCC to design training programmes for each district/block for necessary skill training and skill upgradation of rural youth

6. Apart from the above, it should also be confirmed that whether all the Lead District Managers (LDMs) will be provided with the necessary infrastructure as per our letter No.FIDD.CO.LBS.BC.No.20/02.01.001/2017- 18 dated April 06, 2018.

These agenda items may be treated as a regular agenda, until all the action points are complied.

The 126 SLBC forum decided to place the agenda in SLBC meeting until all the action points are complied. It was also noted that SLBC Kerala forum is already having a steering committee to finalize the agenda for every SLBC meeting. Regarding point No 4 (participation in BLBC) some members informed that nowadays, there are three or four branches of the same bank in many rural blocks and many are are manned by single officers. It is very difficult to arrange deputation to all these branches at the same time

The 126 SLBC forum advised that in such cases instead of the branch personnel, a responsible senior officer from the controlling office, has to attend the BLBC meeting and take prompt follow up action on the decisions taken in the meeting.

Regarding point number 3, we have constituted an implementation committee. The first meeting of the committee was held on 28.10.2019 and second meeting on 08.11.2019. It was informed by all Banks that their corporate offices are on the job of modifying their CBS system in tune with RBI requirements. The Convenor Bank is also on the job of modifying the SLBC consolidation package for enabling direct data flow to RBI. The major problem encountered by the banks is in getting the block codes for all the 152 blocks in Kerala which RBI subsequently provided. The same is circulated to all the member Banks.

2.3.4. Rural Self Employment Training Institutes (RSETIs) – Reimbursement of Training Expenses of BPL Candidates to "AA" Rated RSETIs

The matter came up for discussion in the 122nd meeting of SLBC, Kerala held on 05.10.2017 as suggested by SBI.
For providing training to BPL candidates, State Rural Livelihood Mission (SRLM) is providing reimbursement of training expenses through Kudumbashree Mission of Kerala State Government, which acts as State Rural Livelihood Mission Office.The claim submitted for the financial year 2015-16 and 2016-17, is yet to be received. The details of pending claims are given below.
The 122nd meeting of SLBC observed that similar claims are pending with all RSETIs The forum requested the following:

1) *Kudumbashree to expedite the matter*
2) *If such cases are there with other RSETIs, their Controlling Banks to collect the information and forward to SLBC for onward transmission to the LSGD and Kudumbashree.*

Representative from Kudumbashree informed that they have already taken up the matter with Ministry of Rural Development, Government of India. The aggregate pendency was collected by SLBC Convenor and submitted to the Executive Director Kudumbasree vide letter No.Kerala SLBC/35 /145 /GN/2017dated2017 November 24th.

RSETI - Pending reimbursement of training expenses										
								(Amt.in Lacs)		
Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
Sponsor Bank										
IOB (Trivandrum)					7.49	8.98	10.79	4.41	5.07	36.74
Syndicate (Kollam)					6.70	4.82	10.47	4.91	13.28	40.18
SBI Pathanamthitta)					6.23	7.74	10.86	5.63	18.41	48.87
SBI (Alappuzha)					6.33	9.56	10.30	4.28	15.80	46.26
SBI (Kottayam)					7.28	7.47	7.02	4.66	18.25	44.68
UBI (Idukki)					4.27	6.22	4.73	1.10	6.16	22.48
UBI (Ernakulam)					7.80	6.17	4.24	1.86	5.85	25.92
Canara Bank (Thrissur)				5.97	9.50	10.33	12.45	4.80	0.00	43.05
Canara Bank (Palakkad)				1.13	7.28	9.35	24.62	6.02	0.00	48.40
Canara Bank (Malappuam)	0.76	1.07	2.29	1.02	3.10	5.76	6.39	8.95	0.00	29.34
Canara Bank (Kozhikode)					7.06	8.38	4.43	3.81	0.00	23.68
SBI (Wayanad)					7.02	15.44	23.79	27.83	37.14	111.23
RUDSET (Kannur)					6.32	6.34	9.83	6.19	27.38	56.05
Andhra Bank (Kasaragode)					6.46	10.37	11.97	6.21	15.30	50.31
Grand Total	**0.76**	**1.07**	**2.29**	**8.12**	**92.83**	**116.94**	**151.90**	**90.66**	**162.64**	**627.19**

Action Taken

In 125th SLBC ED of Kudumbashree informed that Rs.3Cr is pending and the matter is under discussion with MoRD and an early settlement is expected.

In 126 SLBC Kudumbashree informed the forum that the matter was taken up with MoRD and is expecting to sort out the matter before this financial year.

A first stage of release of Rs 1.6 Cr has been received vide Order No.7683/M Skill/2013/KSHO dated 06.05.2019 . Remaining portion is expected to be credited shortly.

SLBC vide letter Ref: Kerala SLBC/159/AJS/2020 dated 26 Feb 2020 had written to ED Kudumbasree regarding the reimbursement of pending claim.

Ministry of rural development vide letter no.J-18027/01/2017-RSETI(Computer No.358598)-22 ordered for release of another Rs.2.26 Crore towards Reimbursement of Training Expenses of BPL Candidates to "AA" Rated RSETIs. The amount pertains to 2018-19 and 2019-20.

2.3.5 Progress made in Digitization of Land Records

Government of India has launched the National Crop Insurance Portal (www.agri-insurance.gov.in) to enable integration among stakeholders for smooth flow of information and services, with the ultimate aim of direct benefit transfer of claims settlement in the Aadhaar seeded accounts of the affected farmers.

In this regard, banks have been advised to enter the coverage details of farmers on a daily basis through online/ offline utility for proper coverage, for release of premium subsidy, better implementation and proper monitoring as laid down by the Government in the Scheme. Since the requisite data involves inter-alia compilation of land details, review on the progress made in digitization of land records in the State *(as per the format prescribed in letter FIDD.FSD.No.1386/05.10.007/2017-18 dated October 30, 2017 in Annex B)* may be undertaken by SLBC, in coordination with other stakeholders.

The 123rd SLBC meeting observed that:

- *Some States have completed digitization of land records & integrated with Agri Insurance portal. In these States , when bank enter survey number in the Agri insurance portal , land details populate automatically*
- *In Kerala it is underway. Our basic record of land ownership is Thandapper Register of Village Office . (Equivalent to Jamabandi register in other states). Some northern districts have adengal register in place of TP register. The TP register is partially computerized and online pokkuvaravu (mutation) is enabled.*
- *The forum noted that SLBC has requested the Revenue Secretary to provide the latest position on digitization of revenue records*

It was informed in the 126th SLBC meeting that digitisation is progressing in the State. SLBC has requested revenue department to update the progress vide SLBCKERALA/127/239/MA/2019.
The steering committee recommended to pursue the matter.

In 127th SLBC meeting Sri Tom Jose IAS Chief Secretary, Govt of Kerala informed that digitisation is an ongoing process and an officer is appointed solely for this purpose .

In 128th SLBC meeting, Sri. Manoj Joshi IAS, ACS, Finance Department, GoK informed that a subcommittee will be formed to discuss this long pending issue and would request the concerned departments and major banks to join in it.

The steering committee noted that thandaper register has been digitalized except for a few villages and decided to pursue the matter.

SLBC has written to The Secretary (Taxes) on 06.05.2020 for enabling banks to note their charge in thandaper register. Letter copy attached for reference.

2.3.6 Delay in Appointment of Financial Literacy Counsellors

Financial Literacy Centres are the building blocks that initiate the financial literacy activities at the ground level and Financial Literacy Counsellor heading the Financial Literacy Centre is the key stakeholder in driving the financial literacy initiatives at the ground level.

There are some blocks in Kerala which do not have FLCs for a long period.The banks who have been assigned these blocks haven't shown any progress in appointment of FLCs.

Based on the discussions in 126th SLBC forum SLBC has conducted an LDM meet on 15/02/2019ad various issues relating the matter was discussed and has requested to update the matter vide SLBCKERALA/127/5/MA/2019.

In 129th SLBC, General Manager RBI stated that uniformity in eligibility criteria and remuneration has already been taken up with Central office based on the FLC workshop and they are examining the same

The LDM Ernakulam, suggested that the Government may include FLC classes in their awareness camps and similar meetings for promoting social cause.

2.3.7 Infrastructure facilities to the Financial Literacy Counsellors

(Agenda suggested by Reserve Bank of India)

In terms of FIDD.FLC.BC.No.18/12.01.018/2015-16 dated January 14, 2016, Scheduled Commercial banks (including RRBs) are required to provide physical infrastructure and basic amenities to the FLCs sponsored by them, to strengthen the FLC Eco-system. Also, as per RBI circular issued vide FIDD.FLC.BC.No.11/12.01.018/2017-18 dated July 13, 2017, FLCs and rural branches are eligible for funding support from the Financial Inclusion Fund for the financial literacy camps to the extent of 60% of the expenditure of the camp subject to a maximum of ₹ 5,000/- per camp.

To improve the effectiveness of the financial literacy camps, it was decided to encourage FLCs and rural branches of banks to use hand held projectors to show Audio-visuals and posters on financial awareness messages. Funding for handheld projectors and speakers are provided from FIF to the extent of 50% of the cost incurred on purchase of hand held projector and portable speaker (both put together) subject to a maximum of Rs. 5000 per rural branch / FLC on a reimbursement basis.

But it has come to our notice that some FLCs are not being provided funding support for the camps conducted by them and the hand held projectors, which has considerably reduced the effectiveness of the financial literacy camps.

The 124th SLBC meeting requested the banks to inform the update on the following

Sl.No.	Provisions	Banks which have not complied with the required Infrastructure
1	Separate room/ space with minimum seating capacity of 10 members	KGB, SIB, CSB
2	FLCs to be provided with the following:	
a	Computers/ Laptops	Indian bank, CSB
b	Printer	SIB, Indian Bank, CSB, UBI
c	Vehicular Support	PNB, Indian bank, IOB, CSB, UBI
e	Dedicated Helpline	Indian bank, PNB
3	Identity Cards/ Letter of Identification/ Authorisation	PNB, CBI, IOB, CSB
4	Provision of Handheld projectors and portable speakers to FLCs	All Banks

The controllers of individual banks have to ensure that proper infrastructure facilities are provided to the appointed FLCs.

The forum requested the LDMs to write to the concerned banks, whose FLCs are not provided with adequate infrastructure facilities.

128th SLBC requested the banks which have not provided the required infrastructure facilities to FLCs may do so immediately and update to SLBC. The forum discussed the difficulty in carrying of projectors by FLCs and Representative RBI informed that they will take up the matter with their Central office.

2.3.8 Functioning of Business Correspondents (Suggested by Reserve Bank of India)

RBI CO circular DBOD. No. BAPD.BC. 7/22.01.001/2014-15 dated July 01, 2014, mentions the scope to activities to be undertaken by Business Correspondents, which includes:

a. Identification of borrowers;
b. Collection and preliminary processing of loan applications including verification of primary information/data;
c. Creating awareness about savings and other products and education and advice on managing money and debt counseling;
d. Processing and submission of applications to banks;
e. Promoting, nurturing and monitoring of Self Help Groups/ Joint Liability Groups/ Credit Groups/others;
f. Post sanction monitoring;
g. Follow-up for recovery;
h. Disbursal of small value credit;
i. Recovery of principal/collection of interest;
j. Collection of small value deposits, etc.

During RBI Lead District Officers (LDOs) visit to BC outlet, it is observed that the Business Correspondents are restricted in their banking operations. For instance, many BCs are permitted to open only Small Accounts, and not a basic BSBD account.

In 129th SLBC meeting, forum requested Banks to ensure that the BC's are undertaking all eligible activities without any restrictions.

The forum decided to pursue the agenda .

2.3.9 Issues in network connectivity in remote areas (Suggested by Reserve Bank of India)

SLBC in coordination with LDMs and banks may identify the remote areas that lack network connectivity hindering the banking operations. The same may be brought to the notice of the Telecom Regulatory Authority of India (TRAI)/ Telecom authorities, to figure out a solution.
In the SLRM 2018 , it was decided that any instances of lack of connectivity may be conveyed to the SLBC for onward reference to the TERM cell of DoT. No references were recieved in the quarter

The steering committee was informed by SLBC that so far no cases were reported after 125 SLBC and the Committee decided to pursue the agenda.

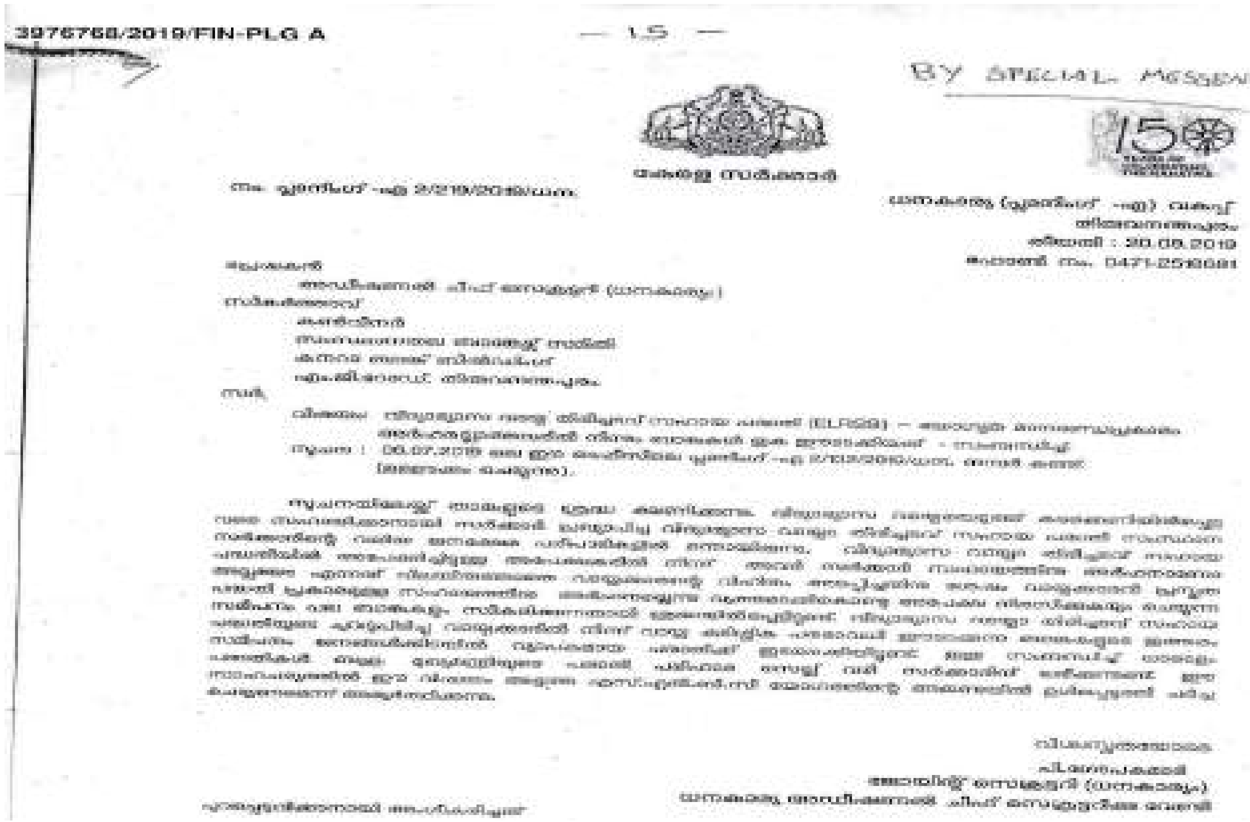
Based on the discussions in 126 SLBC forum SLBC has conducted an LDM meet on 15/02/2019 and various issues relating the matter was discussed and has requested to update the matter vide SLBCKERALA/127/5/MA/2019.

In 129th SLBC meeting, LDM Idukki has informed that a branch of Union Bank of India, Upputhod, in Idukki district is working under VSAT and facing the connectivity issue. After a joint inspection by Idukki LDM and DGM BSNL, the BSNL had suggested two solutions of which one is placing of optical fibre cables around 7kms, but it costs Rs.5 lakhs to Rs. 6 lakhs per km and the other is to take optical fibre cables for lease from cable operators which is not feasible because of cyber security issues.

Representative from Ministry of Communication, stated that the matter should be discussed and taken up with BSNL.
In 129th SLBC decided to pursue the agenda for the limited purpose of resolving the issue pertaining to Union Bank of India, Upputhod Branch.

LDM Idukki has informed that there is no progress in this regard.

2.3.10 Agenda Suggested by Additional Chief Secretary, GOK


3976768/2019/FIN-PLG A

— 15 —

BY SPECIAL MESSEN

Steering committee informed that ELRS Scheme was launched by GOK in the year 2017. Two years later the government came up with new clarification on merit /management. This resulted many students out of eligibility.
The cases were the students are not eligible, bank may support offering OTS within the existing guidelines.

SLBC vide letter ref: Kerala SLBC/ELRS/110/2019/SK dated 20th December 2019 had taken up the matter with finance department, Government of Kerala. We are awaiting the reply from the department.

STATE LEVEL BANKERS' COMMITTEE, KERALA

(Under Lead Bank Scheme of RBI)

Convenor: Canara Bank

Ref: Kerala SLBC/ELRS/110/2019/SK **Date: 20th December 2019**

To
The Additional Chief Secretary (Finance)
Finance (Planning A) Department
Government of Kerala

Dear Sir/Madam,

Sub : **Education Loan Repayment Support Scheme (ELRS)**
Ref : Your letter No. Planning-A 2/219/2019/Fin dt.20.09.2019, received through cover of your letter No.PLG-A2/283/2019/Fin dt.11.11.2019

We refer to your above letter. The matter was placed before the Steering Committee for 129th SLBC on 13.12.2019. Based on the deliberations therein, we would like to inform as hereunder:

Govt: of Kerala launched the ELRS Scheme in the year 2017 vide G.O.(P) No.65/2017/Fin dt.16.05.2017, which defined '*Management quota*' as "*seats in private education institutions for which the management has discretion to give admission on factors other than merit*".

Accordingly Banks were processing applications and the Government had been approving the same and releasing funds periodically. When the bank branch accepts an application, automatic message goes from the Government to the applicant's mobile regarding the acceptance of the application and the amount to be paid as beneficiary contribution. Accordingly borrower applicants were remitting their share to the bank and banks were accepting the same and forwarding to next level through the ELRS portal. The process was going on and a large number of applications were accepted by Banks.

However, in the year 2018, vide G.O.(P) No.85/2018/FIN dt.07.06.2018, the Government of Kerala came up with a clarification on merit quota as given below:

"Also, it is clarified that merit quota means admission through a competitive examination or based on marks obtained in qualifying board examination, *at a substantially reduced fee on the basis of a mandate from the Government that a certain number of seats be reserved for giving admission at substantially reduced fee*. The remaining seats in a private college would be considered management quota where fee is substantially higher and admission may be through a competitive examination or based on marks in the qualifying board examination or otherwise".

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All communications to be addressed to:
General Manager
Canara Bank, SLBC Cell
Circle Office, Canara Bank Bldg.
P.B.No.159, M.G.Road
Thiruvananthapuram -695 001

Phone : 2331302 (Direct),
2331051 Ext.608,609
Fax : 0471 2338230 / 2331355
E-mail : slbckerala@canarabank.com
Website : www.slbckerala.com

The above created confusion among the Banks regarding the norms for merit quota admissions and regarding accepting applications. Thousands of applications were already accepted and in the pipeline at various levels like bank branch, Nodal Officer, SLBC and Government.

Further, we would like to inform that Banks grant Education Loans to meritorious students as per the guidelines issued by Indian Banks' Association (IBA). IBA guidance notes on Model Educational Loan Scheme 2015 (Amended 2016) suggests the word "meritorious" as follows:

"If the student has obtained admission to an eligible course through a merit based selection process, he/she could be considered a meritorious student. Generally, admission to professional and technical course are through common entrance tests and those who get admission through this process could be considered meritorious. Where the admission is purely based on the marks scored in qualifying examinations, the bank may fix cut-off marks (percentage) for eligibility"

Banks generally consider Education Loans based on certificate given by the institution as regards to the merit admission. Banks who had granted Education Loans as per the above guidelines considered the admission as merit admission and accordingly accepted the applications, received beneficiary contributions and forwarded the applications in the ELRS portal. Also the condition of :"*substantially reduced fee*" put forth in the G.O. No.85/2018 mentioned above was vague and confusing to Banks as the same was felt to be a subjective term.

Again, in the year 2019, vide Ref. No. PLG-A2/4/2019/Fin dt.27.07.2019, the Government came out with a list of indicative courses and institutions and indicated about the eligibility based on fee structure. In the list, in many cases the Govt:/benchmark fee were not given; still the courses were mentioned as "Not eligible as Fee is higher". Here, banks were not able to take proper decisions and also banks were unable to convince borrower applicants resulting in frequent shoutings and unpleasant situations and bank branches. In a Court case at Thiruvalla on ELRS application submitted to Federal Bank, the SLBC Nodal Officer for ELRS was called, and during the crossing several questions were asked to him regarding clarity on 'substantially reduced fee', applicability of various entrance examinations, availability of Government fee structure prevailing in all the States in the Country etc which could not be properly replied.

Subsequently the Government bulk rejected more than 2850 applications which were already forwarded to them with the comments "Returned for reprocessing in accordance with clarification issued vide letter No.PLG-A2/2019/Fin dt.27.07.2019"

We would like to invite your kind attention to the fact that the Government had approved a large number of applications in the initial stage. Accordingly Banks were processing applications. The Government issued clarifications during subsequent years and rejected applications in bulk in similar cases which were approved earlier.

Contd....Page 3

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Phone : 2331302 (Direct), 2331061 Ext 608,609
Fax : 0471 2338236 / 2331355
E-mail : slbckerala@canarabank.com
Website: www.slbckerala.com

Incidentally, we would also like to invite your attention to the fact that as Banks undertake to keep legal actions, if any, in abeyance while forwarding the applications, they are unable to initiate suitable recovery measures against NPA Educations Loans during the last more than one and a half years, which has adversely affected the NPA position of Banks.

Banks have forwarded applications in good faith based on guidelines. Issuing clarifications at different periods has created confusion to both Banks and also borrower applicants. A large number of applications are lying in Banks because of the above.

Bankers participated in the 129 SLBC Steering Committee have denied the allegations made in the above letter. Banks have forwarded the applications in good faith as explained above. In view of all the above, the Steering Committee pointed out that Banks are not misusing the ELRS Scheme for recovery as stated. However, we are placing the matter as an Agenda in the ensuing 129 SLBC meeting.

As the Government is the approving authority, we request you to create a new tab in the ELRS portal so that applications which the Banks are not able to take concrete decision can be transferred in it and the Government can take a decision either to approve or to permanently reject. Banks are unable to take legal actions for recovery on loans pertaining to the applications which are live in the ELRS portal.

Thanking you,

Yours faithfully,

S. Ajit-krishnan 20/11/2019

Convenor, SLBC Kerala
& General Manager, Canara Bank

2.3.11. Agenda by LDM Calicut

1. Some Banks are insisting for Personal Aadhar No of the RR officials when they approach for remittances of Collection amount to Govt A/c. For obvious reasons, the RR officials are reluctant to divulge their Aadhar details for official transactions
2. When the collection amount is more than Rs 50000/- the bankers insist that the transactions are to be routed through account which also creates problems as they do not have account at village level.

The issue is related to IT guidelines on the matter. Though this point was discussed earlier also there was no fruitful outcome so far.

128 SLBC forum requested, the revenue department to sort out this issue.

2.3.12 Agenda suggested by LDM Palakkad

District Collector, Palakkad has put forth an agenda in last DLRC - Exemption of obtention of Possession certificate for granting of various loans from banks

The steering committee informed that possession certificates are mandatory in verification of land records and creation of EMT. The representative from SIB informed that there are some village officers reluctant in providing location sketch for the banks purpose on claiming that they are not bound to issue Location sketch as per their guidelines.

The matter was raised by SLBC Convenor during the Annual Conference of the District Collectors held at Trivandrum on 12th December 2019. The matter is being pursued with the Revenue Authorities.

129th SLBC forum noted that the issue can be resolved through the digitalisation of land record. SLBC has taken up the matter with the Secretary (Taxes) for enabling banks to mark their charge in thandaper register through online by charging a nominal rate.

2.3.13 Agenda suggested by LDM Idukki

Issues relating to financing under agriculture based on tax receipts

Basic land tax receipts are now issued digitally. Therefore multiple copies can be generated. This will lead to multiple financing and interest subvention claim is also mis-utilised especially under Agricultural Gold Loans.

To rectify this, it is suggested that, a separate portal (or even a new menu in RR portal) is opened so that banks can update the details of tax receipt number and details thereof which the borrower has given to the bank so that he cannot produce the same in another bank. Otherwise any provision for generating only one tax receipt and the word "Duplicate" to be mentioned on the copies further generated will also suffice the purpose.

128th SLBC forum decided to take up the matter with Revenue Department. The matter was discussed in the sub-committee meeting held on 08.11.2019 wherein the Government representative informed that the matter can be resolved only with digitisation of land records.

129th SLBC noted that the matter can be resolved with digitalisation of land records.

2.3.14 Agenda suggested by Federal Bank

Gist

As per IRAC norms, crop loans will be treated as NPA if

a) Loans granted for short duration crops (crop season less than 1 year) will be treated as NPA, if the Installment of principal or interest thereon remains overdue for two crop seasons.
b) Loans granted for long duration crops (crop season longer than 1 year) will be treated as NPA, if the Installment of principal or interest thereon remains overdue for one crop season.

Federal Bank has submitted minutes of SLBC meeting of 25/09/2007 and 22/12/2008 of Gujarat State wherein SLBC has defined period of short duration crops as follows:

1. If a farmer is growing Crops only in Kharif season and land remains fallow during the rest of the year, two crop season will spread over two years. Similar is the case if crops are grown only in Rabi season by a farmer. In this case, repayment date will be fixed once in a year.
2. If the farmer is growing Kharif as well as Rabi crops, two crop seasons will spread over one year period. There will be two repayment dates during one year period.

Federal Bank has recommended to SLBC Kerala to treat the computation of tenure of loans in Kerala accordingly. The minutes submitted by Federal Bank is annexed herewith

Gist of Agenda and Minutes of various SLBC meetings wherein discussion held on Income Recognition and Assets Classification and Provisioning Norms - Agriculture Advances

114th Meeting of SLBC for quarter ended June 2007 held on 25.09.2007

3.7 Asset classification of Agricultural advances - crop loan

RBI has issued the following guidelines on this issue -

A) Loans granted for short duration crops (crop season less than 1 year) will be treated as NPA, if the installment of principal or interest thereon remains overdue for two crop seasons.

B) Loans granted for long duration crops (crop season longer than one year) will be treated as NPA, if the instalment of principal or interest thereon remains overdue for one crop season.

Accordingly, the classification of crops is proposed as under :

Short duration crops

All cereals crops, oil seeds crops, cotton, vegetables, spices, pulses, sugarcane may be treated as a short duration crops.

Long duration crops

Papaya, Banana and all other plantation and horticultural crops etc. may be treated as long duration crops.

The House is requested to discuss and approve the same.

MINUTES OF THE MEETING:

The above meeting was held on 25th September, 2007 at Ahmedabad which was presided over by **Shri P.L. Gairola**, Chairman & Managing Director, Dena Bank. The meeting was attended by **Shri R.M. Patel**, Principal Secretary, Social Justice & Empowerment Deptt., Govt. of Gujarat, **Shri Tapan Ray**, Principal Secretary (Economic Affairs), Finance Deptt., Govt. of Gujarat, **Shri Vinay Vyasa**, Suptd. of Stamps, Office of Suptd. of Stamps, Govt. of Gujarat, **Shri B.V. Jadav**, General Manager, RPCD, RBI, **Shri M.K. Verma**, Joint Secretary & Director, Institutional Finance, Govt. of Gujarat, **Shri B.S. Shekhavat**, Chief General Manager, NABARD, **Dr. H.C. Patnaik**, Chief General Manager, SBI, **Shri Sudhir Dubey**, General Manager, State Bank of Saurashtra, **Shri G.G. Joshi**, General Manager, Bank of Baroda, **Shri Anandilal**, Dena Bank, General Manager and other senior executives from various Banks, Insurance Companies, Financial Institutions, etc.

3.7 Asset classification of Agricultural advances - crop loan

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B) Loans granted for long duration crops (crop season longer than one year) will be treated as NPA, if the instalment of principal or interest thereon remains overdue for one crop season.

Accordingly, the classification of crops was proposed as under :

Short duration crops

All cereals crops, oil seeds crops, cotton, vegetables, spices, pulses, sugarcane may be treated as a short duration crops.

Long duration crops

Papaya, Banana and all other plantation and horticultural crops etc. may be treated as long duration crops.

The House approved the classification of crop loan as short duration crops and Long duration crops as suggested. Banks should issue necessary guidelines to the Branches.

118th Meeting of SLBC for quarter ended September 2008 held on 22.12.2008

2.11 Income Recognition and Assets Classification and Provisioning Norms - Agriculture Advances

As per RBI Master Circular No.BP.BC.20/21.04.048/2008-09 dated 01.07.2008, a loan granted for short duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for two crop seasons. A loan granted for long duration will be treated as NPA, if the instalment of principal or interest thereon remains overdue for one crop season. For the purpose of these guidelines, "long duration" crops would be crops with crop season longer than one year and crops, which are not "long duration" crops, would be treated as "short duration" crops. The crop season for each crop, which means the period upto harvesting of the crops raised, would be as determined by the SLBC in each State. Depending upon the duration of crops raised by an agriculturist, the above NPA norms would also be made applicable to agriculture term loans availed by him. Crop seasons and short duration / long duration crops were decided in 114th SLBC meeting held on 25.09.2007.

For the sake of uniformity among all Banks in the state of Guajrat, due dates of various seasons i.e. Kharif and Rabi / Summer was decided as under.

NPA classification for short duration Mono cropping farmers:

PARTICULARS	KHARIF SEASON	RABI / SUMMER SEASON
Year of sanction of Loan	2004-05	2004-05
Month of sanction	April 04 to June 04	October 04 to November 04
Season start	June -July 04	November-December 04
Harvest Time	October-November 04	February-March 05
Due date for Repayment	31.03.2005	30.06.2005
1 st crop season	June 05 to December 05	October 05 to March 06
2 nd crop season	June 06 to December 06	October 06 to March 07

NPA classification for short duration Double Cropping Farmers:

PARTICULARS	KHARIF SEASON	RABI / SUMMER SEASON
Year of sanction of Loan	2004-05	2004-05
Month of sanction	April - June 04	October - November 04
Season start	June -July 04	November-December 04
	October-November 04	February-March 04
Due date for Repayment	31.03.2005	30.06.2005
1 st crop season	October 04 - March 05	June 05 - December 05
2 nd crop season	June 05 - December 05	October 05 - March 06

Two Crops seasons is considered as under :-

1. If a farmer is growing Crops only in Kharif season and land remains fallow during the rest of the year, two crop season will spread over two years. Similar is the case if crops are grown only in Rabi season by a farmer. In this case, repayment date will be fixed once in a year.
2. If the farmer is growing Kharif as well as Rabi crops, two crop seasons will spread over one year period. There will be two repayment dates during one year period.

The matter was discussed in the Standing Committee meeting of SLBC held on 20.10.2008 and minutes were circulated by SLBC Secretariat vide letter dated 28.10.2008. Copy of the said minutes is enclosed as per **Annexure - B.**

House is requested to confirm the same.

MINUTES OF THE MEETING:

The above meeting was held on 22nd December, 2008 at Ahmedabad which was presided over by **Shri P.L. Gairola**, Chairman, SLBC and Chairman & Managing Director, Dena Bank. The Chief Guest of the meeting was **Shri Vajubhai Vala**, Hon'ble Finance Minister, Govt. of Gujarat. The meeting was attended by **Dr. Varesh Sinha**, Principal Secretary, Panchayats, Rural Hsg. & Rural Devp. Deptt., Govt. of Gujarat, **Shri R.M. Patel**, Principal Secretary, Labour & Employment Deptt., Govt. of Gujarat, **Dr. Tarsem Chand**, Dy. Secretary, Deptt. of Financial Services, Ministry of Finance, Govt. of India, **Shri P.K. Taneja**, Chairman, GGRC, **Shri M.K. Verma**, Joint Secretary & Director, Institutional Finance, Govt. of Gujarat, **Dr. S. Rajagopal**, General Manager, RPCD, RBI, **Dr. H.C. Patnaik**, Chief General Manager, State Bank of India, **Shri S.G. Siddesh**, Chief General Manager, NABARD and other senior executives from various Banks, Insurance Companies, Financial Institutions, etc.

2.11 Income Recognition and Assets Classification and Provisioning Norms - Agriculture Advances

As per RBI Master Circular No.BP.BC.20/21.04.048/2008-09 dated 01.07.2008, a loan granted for short duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for two crop seasons. A loan granted for long duration will be treated as NPA, if the instalment of principal or interest thereon remains overdue for one crop season. For the purpose of these guidelines, "long duration" crops would be crops with crop season longer than one year and crops, which are not "long duration" crops, would be treated as 'short duration" crops. The crop season for each crop, which means the period upto harvesting of the crops raised, would be as determined by the SLBC in each State. Depending upon the duration of crops raised by an agriculturist, the above NPA norms would also be made applicable to agriculture term loans availed by him. Crop seasons and

2.3 Income Recognition and Assets Classification and Provisioning Norms - Agriculture Advances

As per RBI Master Circular No.BP.BC.20/21.04.048/2008-09 dated 01.07.2008, a loan granted for short duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for two crop seasons. A loan granted for long duration will be treated as NPA, if the instalment of principal or interest thereon remains overdue for one crop season. For the purpose of these guidelines, "long duration" crops would be crops with crop season longer than one year and crops, which are not "long duration" crops, would be treated as :short duration" crops. The crop season for each crop, which means the period upto harvesting of the crops raised, would be as determined by the SLBC in each State. Depending upon the duration of crops raised by an agriculturist, the above NPA norms would also be made applicable to agriculture term loans availed by him. Crop seasons and short duration / long duration crops were decided in 114th SLBC meeting held on 25.09.2007.

For the sake of uniformity among all Banks in the state of Guajrat, due dates of various seasons i.e. Kharif and Rabi / Summer was decided as illustrated here under.

NPA classification for short duration Mono cropping farmers:

PARTICULARS	KHARIF SEASON	RABI / SUMMER SEASON
Year of sanction of Loan	2004-05	2004-05
Month of sanction	April 04 to June 04	October 04 to November 04
Season start	June -July 04	November-December 04
Harvest Time	October-November 04	February-March 05
Due date for Repayment	31.03.2005	30.06.2005
1 st crop season	June 05 to December 05	October 05 to March 06
2 nd crop season	June 06 to December 06	October 06 to March 07

NPA classification for short duration Double Cropping Farmers:

PARTICULARS	KHARIF SEASON	RABI / SUMMER SEASON
Year of sanction of Loan	2004-05	2004-05
Month of sanction	April - June 04	October - November 04
Season start	June -July 04	November-December 04
	October-November 04	February-March 04
Due date for Repayment	31.03.2005	30.06.2005
1 st crop season	October 04 - March 05	June 05 - December 05
2 nd crop season	June 05 - December 05	October 05 - March 06

Two Crops seasons is considered as under :-

1. If a farmer is growing Crops only in Kharif season and land remains fallow during the rest of the year, two crop season will spread over two years. Similar is the case if crops are grown only in Rabi season by a farmer. In this case, repayment date will be fixed once in a year.
2. If the farmer is growing Kharif as well as Rabi crops, two crop seasons will spread over one year period. There will be two repayment dates during one year period.

The matter was discussed in the Standing Committee meeting of SLBC held on 20.10.2008 and minutes were circulated by SLBC Secretariat vide letter dated 28.10.2008. After Standing Committee meeting, SLBC Secretariat received letter dated 04.11.2008 from NABARD mentioning that agricultural loans such as crop loans, loans for Minor Irrigation, etc., the date of NPA would be a date on which two harvesting seasons end from the due date for interest / loan instalment. SLBC Secretariat also received representation from District Central Co-operative Bank that considering the cropping pattern, harvesting period, marketing of agriculture produce, the repayment of the Kharif and Rabi season crops be fixed as 30th June. SLBC Secretariat referred the matter to RBI vide its letter dated 22nd November, 2008.

The matter was also discussed in the 119th SLBC meeting held on 22.12.2008 and representative from Gujarat State Co-operative Bank Ltd., informed that in the meeting with NABARD, on representations made by various District Central Co-operative Banks, NABARD had accepted the repayment date as 30th June for both Kharif and Rabi season. Representative from RBI informed that the matter has been referred to them and in turn they have taken up the same with their Central Office and added that by next SLBC meeting the matter of fixing of NPA date will be finalised.

Shri S.G. Siddesh, Chief General Manager, NABARD informed that NABARD has not agreed with the view of Co-operative Banks that NABARD had accepted the repayment date as 30th June for both Kharif and Rabi seasons and it should be deleted from the proceedings.

The above matter was included in the Agenda by SLBC on the basis of letter dated 14.11.2008 received by them from Gujarat State Co-operative Bank Ltd.

SLBC Secretariat received a letter dated 19th February, 2009 from Reserve Bank of India informing that they concur with the views of SLBC in this regard.

To provide sufficient time to the farmers to market their agriculture produce after harvesting, we propose NPA date as 1st April, 2007 for Kharif Season and 1st July, 2007 for Rabi / Summer Season for Mono Cropping farmers in the above illustration.

For farmers taking two crops in a year, we propose NPA date as 1st April, 2006 for Kharif Season and 1st July, 2006 for Rabi / Summer Season in the above illustration.

The House discussed the matter of finalisation of the NPA dates as proposed so that the Banks in the State can fix NPA dates uniformly both for Kharif and Rabi / Summer seasons.

Shri D.B. Goti, Chief Officer, Gujarat State Co-operative Bank stated that Dist. Co-operative Banks are considering due dates as 30th June for both Kharif and Rabi crops and NPA dates should be considered as 1st July for both the crops.

Shri T.S. Satyanarayan, Chairman, Saurashtra Gramin Bank stated that as the farmers have sufficient liquidity after marketing their Kharif and Rabi produce, the house can finalise NPA dates as proposed in Agenda item.

The House agreed that as per the guidelines issued by RBI, the repayment schedule to be fixed in such a manner when the farmers have adequate liquidity and surplus to repay their dues.

The House decided that NPA date for Kharif Season as 1st April and for Rabi/Summer Season as 1st July. All Member Banks are requested to consider NPA dates for Kharif and Rabi/Summer Seasons as above.

4.2.13 Agricultural advances

i. A loan granted for short duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for two crop seasons. A loan granted for long duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for one crop season. For the purpose of these guidelines, "long duration" crops would be crops with crop season longer than one year and crops, which are not "long duration" crops, would be treated as "short duration" crops. The crop season for each crop, which means the period up to harvesting of the crops raised, would be as determined by the State Level Bankers' Committee in each State. Depending upon the duration of crops raised by an agriculturist, the above NPA norms would also be made applicable to agricultural term loans availed of by him.

The above norms should be made applicable only to Farm Credit extended to agricultural activities as listed at paragraph III (1) of the Circular on Priority Sector Lending – Targets and Classification FIDD.CO.Plan.BC.54/04.09.01/2014-15 dated April 23, 2015. An extract of the list of these items is furnished in the **Annex - 2**. In respect of agricultural loans, other than those specified in the Annex - 2 and term loans given to non-agriculturists, identification of NPAs would be done on the same basis as non-agricultural advances, which, at present, is the 90 days delinquency norm.

ii. Where natural calamities impair the repaying capacity of agricultural borrowers for the purposes specified in Annex - 2, banks may decide on their own as a relief measure conversion of the short-term production loan into a term loan or re-schedulement of the repayment period; and the sanctioning of fresh short-term loan, subject to guidelines contained in RBI circular FIDD.No.FSD.BC.62/05.10.001/2014-15 dated March 25, 2015.

iii. In such cases of conversion or re-schedulement, the term loan as well as fresh short-term loan may be treated as current dues and need not be classified as NPA. The asset classification of these loans would thereafter be governed by the revised terms & conditions and would be treated as NPA if interest and/or instalment of principal remains overdue for two crop seasons for short duration crops and for one crop season for long duration crops. For the purpose of these guidelines, "long duration" crops would be crops with crop season longer than one year and crops, which are not "long duration" would be treated as "short duration" crops.

iv. While fixing the repayment schedule in case of rural housing advances granted to agriculturists under Indira Awas Yojana and Golden Jubilee Rural Housing Finance Scheme, banks should ensure that the interest/instalment payable on such advances are linked to crop cycles.

4.2.14 Government guaranteed advances

The credit facilities backed by guarantee of the Central Government though overdue may be treated as NPA only when the Government repudiates its guarantee when invoked. This exemption from classification of Government guaranteed advances as NPA is not for the purpose of recognition of income. The requirement of invocation

RESERVE BANK OF INDIA

www.rbi.org.in

RBI/ 2004/ 264

DBOD.BP.BC. 102 / 21.04.048/ 2003-04

June 24, 2004

All Scheduled Commercial Banks
(Excluding RRBs)

Dear Sir,

Annual Policy Statement for the year 2004-05 – Prudential Norms for Agricultural Advances

In terms of paragraph No. 4.2.12 of the Master Circular DBOD.No.BP.BC.15/ 21.04.048/ 2002-03 dated August 22, 2003 relating to income recognition, asset classification and provisioning, all direct agricultural advances as listed in the Annexure II to the circular would become NPA, when interest and / or instalment of principal remains unpaid after it has become due for two harvest seasons, not exceeding two half years.

2. In this connection, please refer to paragraph No.84 of the annual policy Statement for the year 2004-05 enclosed with Governor's letter No.MPD.BC.249/07.01.279/2003-04 dated May 18, 2004 (copy of the paragraph enclosed). As mentioned therein, in the case of long duration crops, the current prescription of "not exceeding two half-years" is inadequate. In order to align the repayment dates with harvesting of crops, it has been decided that with effect from September 30, 2004 the following revised norms will be applicable to all direct agricultural advances as listed in the Annex :

a) A loan granted for short duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for two crop seasons.

b) A loan granted for long duration crops will be treated as NPA, if the instalment of principal or interest thereon remains overdue for one crop season.

3. For the purpose of these guidelines, "long duration" crops would be crops with crop season longer than one year and crops, which are not "long duration" crops, would be treated as "short duration" crops.

4. The crop season for each crop, which means the period up to harvesting of the crops raised, would be as determined by the State Level Bankers' Committee in each State.

5. Depending upon the duration of crops raised by an agriculturist, the above NPA norms would also be made applicable to agricultural term loans availed of by him. In respect of agricultural loans, other than

Relevant extract of the list of direct agricultural advances from the Master Circular on lending to priority sector – RPCD. PLAN. BC. 42A/ 04.09.01/ 2001-02 dated 11 November, 2002.

1.1 Direct Finance to Farmers for Agricultural Purposes

1.1.1 Short-term loans for raising crops i.e. for crop loans. In addition, advances upto Rs.5 lakh to farmers against pledge/ hypothecation of agricultural produce (including warehouse receipts) for a period not exceeding 12 months, where the farmers were given crop loans for raising the produce, provided the borrowers draw credit from one bank.

1.1.2 Medium and long-term loans (**Provided directly to farmers** for financing production and development needs)

(i) **Purchase of agricultural implements and machinery**

(a) Purchase of agricultural implements - Iron ploughs, harrows, hose, land-levellers, bundformers, hand tools, sprayers, dusters, hay-press, sugarcane crushers, thresher machines, etc.

(b) Purchase of farm machinery - Tractors, trailers, power tillers, tractor accessories viz., disc ploughs, etc.

(c) Purchase of trucks, mini-trucks, jeeps, pick-up vans, bullock carts and other transport equipment, etc. to assist the transport of agricultural inputs and farm products.

(d) Transport of agricultural inputs and farm products.

(e) Purchase of plough animals.

(ii) **Development of irrigation potential through –**

(a) Construction of shallow and deep tube wells, tanks, higher etc., and purchase of drilling units.

(b) Constructing, deepening clearing of surface wells, boring of wells, electrification of wells, purchase of oil engines and installation of electric motor and pumps.

(c) Purchase and installation of turbine pumps, construction of field channels (open as well as underground), etc.

(d) Construction of lift irrigation project.

(e) Installation of sprinkler irrigation system.

(f) Purchase of generator sets for energisation of pumpsets used for agricultural purposes.

(iii) **Reclamation and Land Development Schemes**

Bunding of farm lands, levelling of land, terracing, conversion of dry paddy lands into wet irrigable paddy lands, wasteland development, development of farm drainage, reclamation of soil lands and prevention of salinisation, reclamation of ravine lands, purchase of bulldozers, etc.

(iv) **Construction of farm buildings and structures, etc.**

Bullock sheds, implement sheds, tractor and truck sheds, farm stores, etc.

(v) **Construction and running of storage facilities**

Construction and running of warehouses, godowns, silos and loans granted to farmer for establishing cold storages used for storing own produce.

(vi) **Production and processing of hybrid seeds for crops**

(vi) **Payment of irrigation charges, etc.**

Charges for hired water from wells and tube wells, canal water charges, maintenance and upkeep of oil engines and electric motors, payment of labour charges, electricity charges, marketing charges, service charges to Customs Service Units, payment of development cess, etc.

(viii) **Other types of direct finance to farmers**

(a) Short-term loans

To traditional/non-traditional plantations and horticulture.

(b) Medium and long term loans

1. Development loans to all plantations, horticulture, forestry and wasteland.
2. Financing of small and marginal farmers for purchase of land for agricultural purposes.

129th SLBC decided to consult the matter with other state SLBC's and ensure to have a common practice across the Country while fixing the crop season.

SLBC has circulated draft note on crop season to Member Banks seeking their views/Opinion.

2.3.15 Hypothecation in Registration of Sea going fishing boats.

Banks are financing for small to medium sized and large fishing vessels. But as per the norms in registering the boats, there is no provision for marking hypothecation of banks in the registration certificate.

Registering authority for Fishing boats to ensure, hypothecation of banks to be noted in the RC of the boats**.**

Fisheries department informed that now the Hypothection in registration of sea going fishing boat can be marked online. The forum requested the fisheries department to share the details on how it can done to SLBC so that it can be shared among the member banks.

In 129th SLBC, the representative from Fisheries Department informed that fishing boat registration is done in nationwide software "Real Craft" developed by NIC. Fisheries Information Management System is also there. For hypothecation, a project has been started in coordination with NIC. Department is in the process of incorporating Hypothecation clause in the registration portal.

No further progress in this regard.

2.2.16. Agenda suggested by Kudumbasree

Strengthening Neighborhood Groups by Debt Swapping - Request to launch a Credit Scheme exclusively for Debt Swapping

Though Banks and Kudumbashree has played a very significant role in the field of Financial Inclusion the recent study shows that multiple lending practices of Neighborhood Group Members are increasing day by day. In this regard Kudumbashree has also conducted various studies and found that majority of the members are depending on individual money lenders or Microfinance agency to avail loans that too within Rs.50, 000/- at a higher interest rate of 20 to 36 %. Reasons could be various namely delay in delivery of service, cumbersome procedure to avail the financial services, unavailability of financial products that could meet their immediate needs and so on. It is of no doubt that this practice of multiple lending will put these members in a vicious circle where the poor keep paying interest whole life and in some cases even his or her children also have to repay the debt of their parents.

Thus to curtail this practice and inculcate financial discipline among Kudumbashree Members, we hereby seek the support of Banking Fraternity. As a preliminary step to wipe out multiple lending it is requested to introduce a new loan scheme for Neighbourhood Groups exclusively for Debt Swapping. Studies show that in few locations average of 3- 7 members of many NHGs have multiple credits. Most of these members have taken loan from more than two places and surprisingly average loan outstanding per member is less than Rs.1 lakh. At this juncture it is proposed that if banks could launch a NHG credit scheme of maximum Rs.10 lakhs per NHGs with members who have multiple credits. The NHGs will in turn disburse this amount to its members to close their existing loans. A detailed study report will be submitted for further discussion.

The practice of multiple financing is increasing among SHG members. Many micro finance companies are lending to credit linked SHG's . ROI charged by them is also very high. This may leads the members under debt trap.

Steering committee advised Kudumbasree to arrange a meeting of Banks to discuss the matter and formulate a model scheme for deliberation.

2.3.17 Agenda by Reserve Bank of India

A. Business Correspondent (BC) Registry

Considering the crucial role played by the Business Correspondent (BC) in the domain of financial inclusion and the significance in tracking them by way of a centralized repository, Reserve Bank of India has launched BC Registry with Tracking Facility (www.bcregistry.org.in) on July 30, 2019.The registry, developed by Indian Banks' Association (IBA) capture information on both existing and potential Business Correspondents, facilitating holistic monitoring and oversight of BC network.

Uploading of details of BCs on real time basis is vital for establishing the objective of effective tracking system. The banks shall institute a Standard Operating Procedure (SOP) for regular updation of BC details in the portal.

129th SLBC forum suggested that the BC details are already uploaded in Jan Dhan Rakshak portal the same can be imported from that portal, so that duplication of data upload can be avoided.

B. Revamp of Lead Bank Scheme standardized system for data flow

Revamp of Lead Bank Scheme - Action Points for SLBC Convenor Banks/ Lead Banks – Developing a Standardized System for data flow and its management by SLBC/ UTLBC Convenor Banks on SLBC/ UTLBC websites

Please refer to RBI Circular FIDD.CO.LBS.BC.No.19/02.01.001/2017-18 dated April 6, 2018 on Revamp of Lead Bank Scheme - Action Points for SLBC Convenor Banks/ Lead Banks, prescribing certain action points.

2. With respect to Action Point – (iv) of the abovementioned Circular, SLBC Convenor Banks were advised, inter alia, to develop a standardized system on the websites maintained by each SLBC to enable uploading and downloading of the data pertaining to the Block, District as well as the State by the members banks. It was also advised that the relevant data must also be directly downloadable from the CBS and/ or MIS of the banks with a view to keeping manual intervention to a minimal level in the process. The Circular also suggested the procedure relating to Management of data flow at LBS fora and advised that necessary modifications may be made on the SLBC websites and to the CBS & MIS systems of all banks to implement the envisaged data flow mechanism.

3. Based on the preliminary feedback received from several SLBC/ UTLBC Convenor Banks in respect of status of implementation of the abovementioned Action Point, a Working Group (WG) of select SLBC Convenor Banks and NABARD was constituted by RBI to work out a standardized system for collection, storage, presentation and management of data on the SLBC/ UTLBC website.

4. The WG reviewed the existing major categories of data being collated and monitored by SLBCs and suggested a broad set of data structure in the form of a Model Format which may be adapted by SLBCs/ UTLBCs for collection and monitoring of data. The model format is enclosed at Annexure I. While SLBC/ UTLBC Convenor Banks are encouraged to adapt the

model format to the extent possible, they may make suitable additions/ deletions/ modifications in the format as per State/ UT specific needs including future requirements. Further, while SLBCs/ UTLBCs may advise member banks to endeavor to report the data through direct extraction from their CBS/ MIS to the extent possible, there could still be some data which may not be available in the banks' systems. Such data may be collated at the Controlling Office level as is being done now for reporting purposes. The/ input file format structure suggested by the WG for the purpose is enclosed at **Annexure II**.

5. The WG has further suggested that in order to enable banks in uploading and downloading of the data upto the block level, banks should map all the branches with block codes. Once mapping of the branches with block codes is completed by banks in their systems, data at block level as well as at district and state level can be generated and monitored at different fora of the Lead Bank Scheme. (A portal is required to be developed by SLBC/ UTLBC Convenor Banks on their respective SLBC/ UTLBC websites for facilitating uploading and downloading of data by member banks/ LDMs) A Standard Operating Procedure (SOP), which may be followed by SLBC/ UTLBC Convenor Banks, member banks and LDMs, as suggested by the WG is enclosed at **Annexure III**.

6. SLBC/ UTLBC Convenor Banks are advised to decide, in consultation with the member banks, a reasonable timeframe not exceeding six months from the date of issuance of this letter, for migration to the new data flow and management system as envisaged in RBI Circular dated April 6, 2018. SLBC/ UTLBC Convenor Banks are also advised to bring this letter to the notice of all member banks under the Lead Bank Scheme.

As instructed by RBI, SLBC has constituted an implementation committee for devising and executing transition plan for migration to new data system within 6 months. The first meeting of the committee held on 28th OCT 2019. Banks are finding difficulty in getting block code for all the 152 blocks in Kerala. RBI subsequently provided the Block Codes. The same is circulated to all the member Banks.

3. FRESH ISSUES

3.1. Primary Sector

3.1.1. Minutes of Cashew subcommittee meeting held on 06.01.2020, Special OTS Scheme recommended for Cashew Units (Information note by SLBC Convenor)

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

Convenor: केनरा बैंक Canara Bank
Together We Can

Ref: Kerala SLBC/CASHEW/2020 **Date: 07 Jan 2020**

Discussion by SLBC Sub Committee on Agriculture about Special OTS Scheme for Cashew Sector on 06.01.2020

The meeting commenced at 3.30 pm in Board Room, Floor No 6, Canara Bank Building, Trivandrum with Shri. Shaji S, DGM, representing Convenor, SLBC Kerala in Chair.

Shri Sanjumon V welcomed all the members of the Committee.

Shri Shaji S, DGM, began by giving a brief background of the proposed OTS Scheme. It was formulated taking two points into consideration:

1. Formulating an OTS Scheme which is viable for the Bank as well as attractive to the Borrower.
2. Linkage to the collateral comforts available.

The Sub-Committee meeting on 4th December 2019 had requested all member banks to submit a viable OTS proposal before 10/12/2019 for deliberations and finalization of the scheme. However, no proposal was received by SLBC. Since the agenda is of priority and was also required to be presented in the 129th SLBC meeting, the Convener Bank had prepared a draft OTS scheme. The 129th SLBC decided to put forth the Draft OTS Scheme for deliberations in an immediate Sub-Committee and accordingly the meeting is convened today.

The meeting deliberated on various options and the following two OTS proposals had forth-come for discussion.

Proposal - A

Book Liability Upto and including Rs.10Cr		
	Sub standard	**Doubtful**
RVS is sufficient to cover the Base Amount	85% of RVS or 75% of the Base Amount (whichever is higher)	75% of RVS or 65% of the Base Amount (whichever is higher)
RVS is not sufficient to cover the Base Amount	75% of RVS or 65% of the Base Amount (whichever is higher)	65% of RVS or 55% of the Base Amount (whichever is higher)

Book Liability Above Rs.10Cr		
RVS is sufficient to cover the Base Amount	85% of RVS or 80% of the Base Amount (whichever is higher)	80% of RVS or 70% of the Base Amount (whichever is higher)
RVS is not sufficient to cover the Base Amount	80% of RVS or 70% of the Base Amount (whichever is higher)	70% of RVS or 60% of the Base Amount (whichever is higher)
RVS= Realisable Value of Security		
Base Amount = Book Liability as on the date of NPA/Cut Off date* + Charges and Expenses -Recoveries after the date of NPA/ Cut Off date *Cut off date is the date on which the account was classified as NPA		

Proposal - B

Sub standard	Doubtful
80% of the Secured Portion of the Base Amount + 65% of the Unsecured Portion of the Base Amount	75% of the Secured Portion of the Base Amount + 60% of the Unsecured Portion of the Base Amount
Base Amount = Book Liability as on the date of NPA/Cut Off date* + Charges and Expenses - Recoveries after the date of NPA/ Cut Off date *Cut off date is the date on which the account was classified as NPA	

After detailed deliberations, the following decisions were made:

a. The LC/BGs given to sector should also be covered under the scheme. It was decided that 100% margin shall be taken as TDR in case of any LC/BG outstanding and it shall be released after expiry of LC/BG or adjusted against devolvement/invocation as the case may be. Similarly, CGTMSE/ECGC claims/Govt Subsidy received/to be received etc. will have to be adjusted as per prevalent norms.

b. The forum also decided that pending cases before Courts/DRT should be eligible for settlement. However, consent terms with default clause will have to be filed before Presiding officer of Court/DRT for obtaining consent clearance.

c. Not less than 15% of the OTS amount to be remitted upfront at the time of settlement and remaining OTS amount to be paid within a maximum period of one year. Interest shall be charged on the period beyond the prescribed period as per the individual Bank's policy.

d. Postdated cheques to be submitted for the balance amount as per the conditions to be stipulated by respective banks.

e. Legal / Recovery actions shall be kept in abeyance for those OTS settled cases where minimum upfront amount of 15% of OTS amount is paid. However where account gets time barred and borrower not co-operative for executing Acknowledgment of Debts, recovery actions shall be initiated.

f. Valuation shall not be more than one year old as on the date of submission of the OTS proposal.

g. The individual Bank's Board shall have the liberty to make suitable amendments in the above proposals based on the Bank's extant policies/guidelines.

Some suggestions were put forth by other member Banks also. Ultimately, the forum decided that the above two OTS formulas may be placed by individual Banks to their respective authorities for finalising the scheme bank-wise.

In terms of the above discussions, the model OTS scheme as per Annexure I & II (attached) has been decided to be adopted by the SLBC based on the authority granted to the SLBC by the 129th SLBC forum and request all the banks to seek necessary sanction/permission from their respective authority for implementing the same at the earliest preferably before 31st January 2020.

Shri Shaji S, DGM, thanked the forum for active participation in the deliberations.

N Ajit Krishnan
Convenor, SLBC Kerala &
General Manager
Canara Bank

ANNEXURE I

Special OTS Scheme for NPAs under Cashew Processing / Exporting units:

Eligibility: All Cashew Units found not viable for restructuring / Revival and classified as NPA on or after 01.04.2015

Validity of the Scheme: Till 31.03.2020

Sanctioning Authority: As per the policies of the respective Bank.

Settlement formula:

Book Liability Upto and including Rs.10Cr		
	Sub standard	**Doubtful**
RVS is sufficient to cover the Base Amount	85% of RVS or 75% of the Base Amount (whichever is higher)	75% of RVS or 65% of the Base Amount (whichever is higher)
RVS is not sufficient to cover the Base Amount	75% of RVS or 65% of the Base Amount (whichever is higher)	65% of RVS or 55% of the Base Amount (whichever is higher)
Book Liability Above Rs.10Cr		
RVS is sufficient to cover the Base Amount	85% of RVS or 80% of the Base Amount (whichever is higher)	80% of RVS or 70% of the Base Amount (whichever is higher)
RVS is not sufficient to cover the Base Amount	80% of RVS or 70% of the Base Amount (whichever is higher)	70% of RVS or 60% of the Base Amount (whichever is higher)
RVS= Realisable Value of Security		
Base Amount = Book Liability as on the date of NPA/Cut Off date* + Charges and Expenses –Recoveries after the date of NPA/ Cut Off date *Cut off date is the date on which the account was classified as NPA		

Conditions:

- The LC/BGs given to sector should also be covered in the scheme. It was decided that 100% margin shall be taken as TDR in case of any LC/BG outstanding and it shall be released after expiry of LC/BG or adjusted against devolvement/invocation as the case may be. Similarly, CGTMSE/ECGC claims/Govt Subsidy received/to be received will have to be adjusted as per prevalent norms.

- The forum also decided that pending cases before Court/DRT should be eligible for settlement. However, consent terms with default clause will have to be filed before presiding officer of Court/DRT for obtaining consent clearance.

- Not less than 15% of the OTS amount to be remitted upfront at the time of settlement and remaining OTS amount to be paid within a period of one year. Interest as per the individual Bank's policy shall be charged on the period beyond their laid down stipulated period.

- Postdated cheques to be submitted for the balance amount as per the conditions to be stipulated by respective banks.

- Legal / Recovery actions shall be kept in abeyance for those OTS settled cases where minimum upfront 15% of the OTS amount is paid. However where account gets time barred and borrower not co-operative for executing Acknowledgment of Debts, recovery actions shall be initiated.

- Valuation shall not be more than one year old as on the date of submission of the OTS proposal.

- The individual Bank's Board shall have the liberty to make suitable amendments in the above proposals based on the Bank's extant policies/guidelines.

ANNEXURE II

Special OTS Scheme for NPAs under Cashew Processing / Exporting units:

Eligibility: All Cashew Units found not viable for restructuring / Revival and classified as NPA on or after 01.04.2015

Validity of the Scheme: Till 31.03.2020

Sanctioning Authority: As per the policies of the respective Bank.

Settlement formula:

Sub standard	Doubtful
80% of the Secured Portion of the Base Amount + 65% of the Unsecured Portion of the Base Amount	75% of the Secured Portion of the Base Amount + 60% of the Unsecured Portion of the Base Amount
Base Amount = Book Liability as on the date of NPA/Cut Off date* + Charges and Expenses –Recoveries after the date of NPA/ Cut Off date *Cut off date is the date on which the account was classified as NPA	

Conditions:

- The LC/BGs given to sector should also be covered in the scheme. It was decided that 100% margin shall be taken as TDR in case of any LC/BG outstanding and it shall be released after expiry of LC/BG or adjusted against develvement/invocation as the case may be. Similarly, CGTMSE/ECGC claims/Govt Subsidy received/to be received will have to be adjusted as per prevalent norms.

- The forum also decided that pending cases before Court/DRT should be eligible for settlement. However, consent terms with default clause will have to be filed before presiding officer of Court/DRT for obtaining consent clearance.

- Not less than 15% of the OTS amount to be remitted upfront at the time of settlement and remaining OTS amount to be paid within a period of one year. Interest as per the individual Bank's policy shall be charged on the period beyond their laid down stipulated period.

- Postdated cheques to be submitted for the balance amount as per the conditions to be stipulated by respective banks.

- Legal / Recovery actions shall be kept in abeyance for those OTS settled cases where minimum upfront 15% of the OTS amount is paid. However where account gets time barred and borrower not co-operative for executing Acknowledgment of Debts, recovery actions shall be initiated.

- Valuation shall not be more than one year old as on the date of submission of the OTS proposal.

- The individual Bank's Board shall have the liberty to make suitable amendments in the above proposals based on the Bank's extant policies/guidelines.

3.1.2.Minutes of SLBC Sub-committee on Agriculture held on 23.01.2020 (Information note by SLBC Convenor)

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

Convenor: Canara Bank

Ref: Kerala SLBC/AGRI SC//2020 **Date: 27 Jan 2020**

SLBC Sub-committee on Agriculture held on 23.01.2020

The meeting commenced at 2.30 pm in Board Room, Floor No 6, Canara Bank Building, Trivandrum with Shri. N Ajit Krishnan, Convenor SLBC Kerala and GM Canara Bank in Chair.

The participant list is attached herewith

A) Major points discussed in the meeting are;

1. Doubling of farmers Income by 2022 – Parameters prescribed by NABARD
2. Gold Loan for Agriculture – Creating awareness among public by way of newspaper advertisement.
3. Prathan Mantri Fasal Bheema Yojana (PMFBY) – Steps to increase coverage
4. PRS scheme of SUPPLYCO – Recent developments.

Sri N Ajit Krishnan, GM, SLBC Kerala welcomed the gathering and briefly explained about the new format prescribed by the NABARD to evaluate the progress in doubling of farmers income by 2022. SLBC is in the process of collecting the data from member banks in the format suggested by NABARD to evaluate the progress made till date on doubling the farmers' income by 2022 and also to re-strategise our efforts for achieving the goal by 2022. Based on the data received from the member banks on agriculture credit it is proposed that the Committee shall hold further meetings and discuss the strategies for doubling the farmers' income by 2020.

B) Gist of the discussion:

1. Manager, NABARD has explained to participants about the parameters formulated by NABARD for the purpose of monitoring and reviewing the progress of doubling of farmers Income by 2022. The parameters are divided in to two groups viz, benchmark parameter and growth parameter.

1.1 Coverage of farmers is one of the benchmark parameters for which total number of farmers in the State of Kerala is needed. The data on number of farmers available with Department of Agriculture differs with the data under Prime Minister Kissan Saman Nidhi (PMKSN). The department shall refine the list and confirm to SLBC regarding the actual number of farmers. Meantime the forum has decided to consider the farmers data provided by department of Agriculture as reference.

1.2 Manager, NABARD has pointed out the importance of SHG financing with Micro credit plan, financing of Farmer Producer Organisations and improvement in livestock productivity for achieving the target of doubling of farmers' income by 2022.

1.3 The forum observed that the progress in digitalisation of land records and model leasing Act suggested by Niti Ayog is not satisfactory in our State as compared with other States.

2. During the recently held State credit seminar conducted by NABARD, Hon'ble Minister for Agriculture has informed that there is a feeling among public that agriculture gold loans are being stopped by Banks. In this regard, SLBC in its Sub-Committee meeting decided to create awareness among public by way of vernacular language advertisements in 2 newspapers having good circulation to the fact that the agriculture gold loan is still available in all banks and only interest subvention & incentive for prompt repayment has been discontinued by the Central Government for agriculture gold loan. The forum approved the format for the press release and a consensus was reached among the member banks for sharing the cost.

3. The forum opined that the coverage under PMFBY scheme to be increased in the State of Kerala. In Kerala, State Government is running an insurance parallel to PMFBY and farmers are more attracted towards State Crop insurance scheme. The forum opined that either PMFBY scheme should be aligned with the State Government Insurance Scheme or the farmers should be given an option to choose between the two schemes. SLBC had taken up the matter with DFS vide letter Kerala SLBC/PMSBY/106/2019 dated 29/11/2019. The forum decided to take up the matter again with DFS.

4. The Sub-Committee discussed about PRS Scheme on the backdrop of meeting convened by Government of Kerala on 22nd January 2020 with SLBC and all the member banks who have entered into MOU with Supplyco in the presence of Adv. V.S Sunil Kumar, Minister for Agriculture and Sri.P. Thilothaman, Minister for Food and Civil Supplies. The major points discussed in the meeting are:

   a. Both the Ministers assured that the amount due to the Banks under PRS scheme will be cleared before 31.03.2020 and has requested the banks to continue accepting the Paddy Receipt Sheets from the Registered paddy growers (farmers) despite NPA status if any, as the procurement season for produce is in process by Supplyco.

   b. During the course of the meeting both the Ministers have requested the banks to avoid putting the borrowers/farmers into any kind of trouble, especially since they are not at fault, and also urged the bankers to continue lending to these farmers under the scheme. It is informed that on the contrary, the situation may worsen and can also lead to suicide in case farmers do not have funds for cropping in the ensuing crop season.

   c. Convenor SLBC accorded his dissent on the statement by the Secretary, Food and Civil supplies on applicability of moratorium to PRS loans also in terms of Government Order G.O.No.7/2020/REVENUE dated 03.01.2020. The Convenor informed that the said G.O mentions about application of Revenue Recovery proceedings only and not on extending the moratorium as per the IRAC norms. The Convenor also apprised that any moratorium decisions are to be taken based on common decisions amongst Government, RBI and bankers and cannot be an unilateral decision.

4.1 In view of the above and considering the following facts,

- The next procurement season has started and the farmers are unable to get PRS loans on account of which they are facing financial constraints for the next cropping season.
- The other accounts of the farmers are also categorized as deemed NPA thereby affecting their credit rating for other purposes.
- A general unrest is brewing in the society leading to agitations and dharnas in front of many Bank branches on account of non entertaining fresh PRS proposals.

The committee opined that, as important stake holders in the efforts to rebuild Kerala and to ensure doubling of farmer's income by 2022, we need to consider the request positively. Besides, the forum opined that the individual borrowers are primarily not responsible for their NPA status. It is decided to take the matter with appropriate authorities considering the distress of the farmers and the consequence thereof to permit a special dispensation to the banks to continue financing PRS Loans eschewing the fact of their overdue status which as explained supra is purely due to technical reason and not on any default from the farmer.

The meeting concluded at 5.00 p.m

N Ajit Krishnan
Convenor, SLBC Kerala &
General Manager, Canara Bank

3.1.3. Minutes of Cashew subcommittee meeting held on 13.02.2020 (Information note by SLBC Convenor)

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

Convenor: Canara Bank

Ref: Kerala SLBC/Cashew/2020 **Date: 25 Feb 2020**

Meeting of SLBC Sub Committee on Agriculture on 13.02.2020 about Special OTS Scheme for Cashew Sector

The meeting commenced at 3.45 pm in the Board Room, Floor No. 6, Canara Bank Building, Trivandrum, with Shri. N Ajit Krishnan, General Manager & Convenor, SLBC Kerala in Chair. Dr. K. Ellangovan, IAS, Principal Secretary (Industries) was present in the meeting. The list of other participants is annexed.

The Principal Secretary gave a brief outline of the decision made by the Hon'ble Chief Minister by announcing a comprehensive package for rehabilitation/honourable exit to Sick Cashew Units of the State. The package was announced during June 2019 and the Committee found 176 units to be eligible for refinancing/additional support, 67 units for OTS and 42 units for ARC. Several meetings were conducted by the Hon'ble Minister in charge of Cashew Industries and one meeting with the Hon'ble Chief Minister to review the progress of the package. Canara Bank was particularly appreciated for rehabilitating/ assisting 37 sick units. SBI, Federal Bank, and UCO bank assisted 6, 5 and 2 units respectively.

It was pointed out that the crisis that affected the Cashew Sector was temporary and that price of raw Cashew has since decreased whereas processed cashew nut prices remain stable. The Government constituted Kerala Cashew Board in order to converge all the procurement operations and gain efficiency.

The Member Banks noted that all the Banks have extended maximum support to rehabilitate the Sick Cashew units as per their Board approved policies. In the meeting with the Hon'ble Minister in Charge of Cashew Industries it was suggested that an honourable exit scheme for the remaining units may be considered. Subsequently, a Sub-Committee meeting for the purpose was held and a model OTS Formula was arrived upon and circulated amongst all the Banks. All the member Banks have reported to have submitted the SLBC approved Special OTS Scheme to their respective Board of Directors and are awaiting decision.

The Member Banks also pointed out that even after giving additional finance, there are cases where such units slipped into NPA. Further, the Banks are not in a position to assess the outside borrowings of the units which in turn affects the repayment capacity.

After deliberations the forum decided as given below:

1. The Government, represented by the Principal Secretary (Industries), noted that SLBC approved OTS Scheme is pending for approval from the Board of Directors of most of the Banks. Hence, the forum was requested to defer the recovery proceedings against the Sick Cashew units until a decision is taken by the concerned Banks on the said OTS Scheme.
2. The Member Banks suggested that Government of Kerala may form a Special Purpose Vehicle (SPV) for financing Sick Cashew Units for revival and for that purpose Banks can consider extending finance to the SPV.
   It was assured by the Principal Secretary (Industries) that the aforementioned suggestion shall be taken up with the Govt. to assess the feasibility.
3. SLBC to provide a details of all Sick Cashew Units which were provided additional finance as per the recommendations of the Revival Committee in order to release the interest subsidy by the Government at the earliest. SLBC Convener requested all Banks to provide the data immediately.

The meeting concluded at 4:30 pm

N AJIT KRISHNAN
Convenor, SLBC Kerala &
General Manager, Canara Bank

3.1.4. SLBC Sub-Committee recommendations on relief measures to people of Kerala affected with COVID-19, meeting held on 18.03.2020 (Information note by SLBC Convenor)

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

Convenor: Canara Bank

Ref: Kerala SLBC/COVID RLF SC//2020 Date: 18 Mar 2020

SLBC Sub-Committee recommendations on relief measures to people of Kerala affected with COVID-19.

The meeting commenced at 3.00 pm in Board Room, Floor No 6, Canara Bank Building, Trivandrum with Shri. N Ajit Krishnan, Convenor SLBC Kerala & General Manager Canara Bank in Chair.

The meeting was attended by representatives of RBI, NABARD, Planning and Economic affair department, GOK and Banks. Participants list is attached herewith.

Shri. N Ajit Krishnan, welcomed the gathering. He informed the forum about the impact of COVID-19 to the economic situation of Kerala State, its effects on various sectors and expectations from the Banking sector to combat it. In his welcome speech, he touched upon the following.

- The World Health Organization (WHO) has declared the recent Covid – 19 epidemic affecting the countries across the world as a public health emergency of International concern.
- In the backdrop of outbreak of COVID -19 and its impact on the economic situation of the State, the Hon'ble Chief Minister of Kerala, called for a meeting of SLBC member Banks on 17.03.2020 which was attended by the Chief Secretary, Government of Kerala, the Principal Secretary, Planning, SLBC Convenor, other senior officials from the Government, the representatives from RBI, NABARD and member Banks.
- During the meeting, the Hon'ble Chief Minister of Kerala informed that the State, which is being re-built from the adverse consequences of back to back natural calamities during 2018 & 2019, is now faced with this pandemic which has very seriously affected the livelihood, source of income and repaying capacity of the borrowers. He has requested the Bankers Committee to extend suitable relief measures to enable them to overcome this catastrophe. He also informed that unlike in the earlier flood situations when our NRI backing strongly supported the State's rehabilitation process, this time round they were the worst affected. It was also informed that COVID 19 pandemic has already been declared as "National Disaster" by Government of India and the State Government proposes to declare the entire State as disaster affected shortly. In this backdrop the bankers were advised to examine the best possible relief measures that could be extended under the circumstances.

Major points discussed in the meeting are;

1. Extension of Repayment Holiday.
2. Consumption Loan to existing borrowers
3. Stalling of recovery proceedings.

The forum had deliberated on the above points and was unanimous in its decision to recommend the following relief measures for approval to Reserve Bank of India:

- To modify suitably the RBI Master Directions on relief measures by Banks in areas affected by natural calamities vide FIDD.CO.FSD.BC No.9/05.10.001/2018-19 dated 17.10.2018 to include and recognize **PANDEMIC** as natural calamity or issue separate guidelines to that effect so that the relief measures can be extended in such situations also.

- To extent repayment holiday of **ONE YEAR** to all the loan accounts w.e.f 01.02.2020 i.e. till 31.01.2021. The loan account to be eligible for the repayment holiday proposed should be a Standard Asset as on 31.01.2020.

- To extend the loan repayment period for a further minimum period of ONE (1) Year subject to the respective loan scheme guidelines permitting the same.

- To request RBI for relaxing the IRAC norms from the present 90 days to 180 days as a special case till 31.01.2021

- To maintain as a special dispensation to the State of Kerala for reasons stated, the asset classification as standard in case of repeated restructured accounts.

- To extend a Consumption loan of ₹.10,000/- to ₹.25000/- (subject to respective banks discretion with a minimum of ₹.10,000) to existing borrowers without any collateral and whose accounts are classified as Standard Asset as on 31.01.2020. Loan to be disbursed in 3 to 5 consecutive monthly installments and to carry a repayment holiday of 3 months from the date of **Last** disbursement. Overall repayment period including the repayment holiday will be 2 years from the date of **First (1st)** disbursement. The loan to carry a uniform interest rate of 9% simple.

- To abstain from taking any Coercive recovery action upto 30th June 2020. However suit filing or other measures/processes to save limitation shall continue.

- To extend Need based additional finance as a part of the revival package to existing MSME customers within the scheme guidelines of the respective banks.

- To protect or maintain the Credit Information Report score of the borrower despite the rescheduling of the loan.

- To recommend for waiver of ATM and other digital payment charges for a period of 6 months to reduce foot fall in the branches till the virus is contained and normalcy restored.

- RBI vide FIDD.CO.FSD.BC.No.1785/05.02.001/2019-20 dated 26.02.2020 as given deadline of 31.03.2020 for converting the existing short term crop loans which are not extended through KCC to KCC loan to be eligible for interest subvention. The last date may be extended upto 30.06.2020 in order to reduce customer crowd in the branches in this regard.

In addition to the above, the forum decided the following;

- SLBC cell was authorised to write to Government of Kerala requesting to release a press release urging the public to utilise the digital payment/ATM service to reduce the foot fall in the Bank Branches and to visit the branches only for urgent needs.
- Central Government Notification regarding the COVID-19 as a "national disaster" has to be obtained from the Government Department and to be submitted to RBI.

The meeting concluded at 5.30 p.m with vote of thanks proposed by Sri.Shaji S, Deputy General Manager, Canara Bank.

Ajit Krishnan
Convenor, SLBC Kerala &
General Manager, Canara Bank

3.1.5. SLBC Sub-Committee recommendations on relief measures to people of Kerala affected with COVID-19, meeting held on 30.03.2020. Special SHG scheme approved by the SLBC (Information note by SLBC Convenor)

राज्य स्तरीय बैंकों की समिति, केरल
(भा.रि.बैं.के अग्रणी बैंक योजना के तहत)
STATE LEVEL BANKERS' COMMITTEE, KERALA
(Under Lead Bank Scheme of RBI)

കനറാ ബാങ്ക്
केनरा बैंक
Canara Bank

Ref: Kerala SLBC/DIGI/51/2020/AJS   Date: 30.03.2020

Minutes of the SLBC Sub-Committee held on 30.03.2020

The meeting commenced at 12.30 pm, SLBC Discussion Room, Floor No. 3, Canara Bank Building, Trivandrum, with Shri. N Ajit Krishnan, Convenor, SLBC Kerala & General Manager, Canara Bank in Chair. The member banks joined the sub-committee meeting directly and through video conferencing. The list of participants is annexed.

Shri. N Ajit Krishnan, Convenor, SLBC Kerala & General Manager, Canara Bank informed the following to the participants:

1. Member Banks to submit the details of Cash Management Service personnel, vehicle details, details of Banking Correspondents/Bank Mitra, district wise, to SLBC for onward submission to Planning Department, Government of Kerala for enabling issue of special passes in this regard. Restrictions on number of persons travelling in cash management vehicle relaxed to a maximum of 4 including driver.
2. All the branches should function for the full business hours (i.e, 10am to 4pm) during the week ending 4th April, 2020 commencing from 31.03.2020 in the background of expected increase in footfall on account of pension, salary and other disbursements towards relief measures announced.
3. Government has assured to provide police support for managing the crowd at branches. Banks may request the support of local Police, if required, on necessity.
4. Working hours and the cluster approach mode of branch functioning shall be reviewed by SLBC on 04.04.2020 and appropriate decision will be taken for the period thereafter.
5. In case of any requirement of spares for automated banking facilities to be sourced from other States, the banks may forward a specific request to SLBC with full details of item, vendor details docket number etc. SLBC will take the assistance of the Planning Department, GOK. They have assured to arrange for transportation of spares by air freight. Besides, Govt. of Kerala will also assist in case any restriction is felt on movement of technical support team for automated banking facilities on any urgency.

Contd.....Page 2

6. Government has assured to increase the frequency of patrolling of Banks due to incidences of attempted theft at branches and ATMs during the lockdown period.

7. Bank shall ensure that all of their ATMs are functional.

8. Service of Business Correspondents/Bank Mitras to be utilized to the maximum extend to avoid crowding at branches.

9. Government has assured that in case any bank faces shortage of sanitisers/mask, upon request by SLBC they provide it on priority basis.

10. Govt. of Kerala has informed that in view of the COVID-19 lockdown and related hardships, Banks should lend to SHGs as suggested by them. SLBC requested Govt. of Kerala to permit Banks to lend under their prevalent SHG/NHG loan guidelines and that Government to remit the suggested 9% interest subvention to respective loan accounts. Govt. of Kerala however informed SLBC to inform all Member Banks to take up with their respective authorities for approval of SHG loan Scheme at 9% rate of interest as a special dispensation and to get the approval immediately.

The forum was in consensus to all the points mentioned by the SLBC Convenor. The forum also approved the proposal of Special Loans to SHGs as suggested by the State Government. However, in respect of SHG loans, while assuring that the proposal shall be forwarded to the Head Office of the respective banks for early approval the member banks requested that in view of the urgent requirement for extending credit to the needy and that permission by Board of Banks may be delayed, the SLBC may once again request the Government to permit Banks to lend under the extant guidelines. Govt. of Kerala may release the suggested interest subvention to the respective borrower groups as in the case of RKLS Scheme given by Banks during the floods. The approved scheme guidelines is attached herewith.

The forum also decided to give a press release for creating awareness among the public that the amount credited to their bank accounts shall neither be returned back nor they forfeit future installments in case of non withdrawals. Besides it was also decided to release a press statement in the following lines for managing the crowds at the branches.

Applicable only for Kerala State pensioners.

SB Accounts ending with the following digits	Date
0, 1	02.04.2020
2, 3	03.04.2020
4, 5	04.04.2020
6, 7	06.04.2020
8, 9	07.04.2020

The meeting concluded at 1.45p.m.

N Ajit Krishnan
Convenor, SLBC Kerala &
General Manager, Canara Bank

3.2. Territory Sector

Agenda Suggested by RBI

3.2.1 National Strategy for Financial Inclusion (NSFI): 2019-2024 – Universal Access to Financial Services

Reserve Bank of India launched the “National Strategy for Financial Inclusion (NSFI): 2019-2024”, which sets forth the vision and key objectives of the Financial Inclusion policies in India to help expand and sustain the financial inclusion process at the National level through a broad convergence of action involving all the stakeholders in the financial sector. Accordingly, providing banking access to every village within a 5 km radius/ hamlet of 500 households in hilly areas by March 2020, has been one of the key objectives under the Strategy.

SLBC Convenor banks have been advised vide letter FIDD.CO.LBS.No.1488/ 02.01.00/ 2019-20 dated January 13, 2020, to take appropriate action and ensure that universal access to financial services are provided to all villages within a 5 km radius/ hamlet of 500 households in hilly areas by March 2020.

Steering committee decided to pursue the agenda. SLBC has taken-up the matter with RBI for getting clarity in the concept of hamlet.

3.2.2 Recommendations of the Internal Working Group to review Agriculture Credit

As you are aware, Reserve Bank of India had constituted an Internal Working Group (IWG) chaired by Shri Mahesh Kumar Jain, Hon’ble Deputy Governor, to understand the various constraints in Agriculture Credit absorption and suggest workable solutions. The IWG has come out with the recommendations/ suggestions to address the gaps in credit delivery to agriculture sector. The recommendations, which *inter-alia* included structural and policy changes which require the intervention of the State Government for improving the farm credit and its delivery to the last mile, which has been shared with the State Government through a letter FIDD.DO.FSD.668/05.10.003/2019-20 dated September 24, 2019 addressed by Shri Mahesh Kumar Jain, Hon’ble Deputy Governor (enclosed).

We solicit the views of the State Government on the recommendations of the IWG and action taken, if any, on the said recommendations, for onward transmission to our Top Management

Steering committee has decided to pursue the agenda till closure.

3.2.3. Expanding and Deepening of Digital Payments Ecosystem

SLBC, Kerala had identified Thrissur district, with an endeavor to make the district 100% digitally enabled within one year. FIDD CO, vide letter FIDD.CO.LBS.No.1551/ 02.01.001/ 2019-20 dated January 23, 2020 had advised SLBC to devise a time bound roadmap to all branches of member banks located in the identified district for on-boarding merchants/ traders/ businesses/ utility service providers to facilitate fully digital transactions by October 2020. SLBC Convenor bank shall monitor the progress of the roadmap on quarterly basis and forward the same to Regional Office of RBI.

Progress made under Expanding and Deepening of Digital Payments Ecosystem;

- *SLBC has constituted an implementation committee at State Head Quarters on 28/10/2019 for Expanding and Deepening of Digital Payment Ecosystem, in consultation with RBI, NABARD and all the member banks. District level committee was formed at Thrissur district with all the banks and connected government departments including NIC.*
- *A survey format for the purpose is prepared and survey has since commenced.*
- *RBI vide letter FIDD.CO.LBS.NO.1551/02.01.001/2019-20 dated 23rd January 2020 directed banks to conduct a field level assessment/survey of merchant/ traders/ businesses /utility service providers located in the Thrissur district.*
- *The format provided by RBI for this purpose has been circulated among all banks through LDM for collecting the bank specific information. RBI envisages that the information as per the above format would form the basis for the drive.*
- *We have organized 5 meetings by co-ordinating all the stakeholders including banks, State and District administration, NIC, NPCI etc.*
- *Logo released in a public function graced by Sri A C Moideen, Minister for Local Self Government, Kerala in the presence of the District Collector Sri. Shanavas, I A S.*
- *Survey – House hold survey in Pullu Village completed.*
- *Merchant Survey – Already started in Mala and Mathilakam Blocks. Other Blocks – ID cards to Kudumbashree volunteers will be issued in a couple of days.*
- *Other major decision taken are*

a) *To explore the possibilities of providing internet point/WiFi at vantage junctions at free of cost by involving telephone service provider.*
b) *Educating merchant establishments to maintain all merchant transactions through digital mode*
c) *Utilizing FLCs to educate public for moving digital mode.*

- *Monitoring by LDM Thrissur/RO Thrissur/CO Trivandrum*

3.2.4. Issues highlighted during the Annual Conference of Lead District Managers (LDMs) and District Development Managers (DDMs) held on February 18 & 19, 2020 at Kozhikode

- Non-availability of the details of the district coordinators or nodal officers of banks with Lead Bank Offices, resulting in non-submission of Lead Bank Returns (LBRs) on time and non-representation of banks in DLRC, DCC and BLBC meetings.
- Inadequate representation by banks during the meetings under LBS fora, which had resulted in deliberations being in vain due to the lack of knowledge of officials representing banks.
- Delay/ Non-reporting of branch opening to LDMs of the district by the Controlling Offices of banks.
- Non-uniformity in formats of Lead Bank Returns (LBRs) used by Lead Bank Offices across all districts.

Steering committee decided to pursue the agenda.

3.2.5. Formulating strategies to improve Credit-Deposit (CD ratio) of the State

On analysis of CD ratio of the Southern States, it is observed that Kerala lags behind with the CD ratio of 67.14% as at QE September 2019. Banks with major presence in the State like State Bank of India, Indian Overseas Bank, CSB Bank Ltd., Dhanlaxmi bank Ltd., Federal Bank Ltd., South Indian Bank Ltd., registers a CD ratio of less than 60%.

SLBC shall constitute a Sub-Committee with the above banks as members and devise strategies and time bound action plan to improve the CD ratio to a healthy sound, considering the inclusive growth. New Projects undertaken by the State Government shall aid in improvement of CD ratio.

Steering committee decided to pursue the agenda.

3.2.6 Improving credit flow to MSME sector

As you are aware Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last few decades and they not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help industrialization of rural and backward areas. SLBC said that there was a fall in MSME advances of some banks.

On a review of credit flow to MSME sector during the meeting of the Empowered Committee held on December 20, 2019, it was observed that the following banks viz. CSB Bank Ltd., Bandhan Bank, Laxmi Vilas Bank Ltd., United Bank of India, Corporation Bank, Dhanlaxmi Bank, Punjab & Sind Bank and Central Bank of India lag behind in lending to MSME sector. Further, majority of banks have not achieved the targets under Prime Minister's Task Force on MSME.

Steering committee decided to pursue the agenda.

3.2.7. Inclusion of wholly owned Subsidiaries of Foreign Banks under Lead Bank Scheme

भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

FIDD.CO.LBS. No.1797/02.01.001/2019-20 February 27, 2020

The Chairmen/ Managing Directors/ Chief Executive Officers
SLBC/ UTLBC Convenor Banks / Lead Banks

Madam/ Dear Sir,

Inclusion of Wholly Owned Subsidiaries of Foreign Banks under Lead Bank Scheme

As you may be aware, the Reserve Bank of India (RBI) had released the Framework for setting up of Wholly Owned Subsidiaries (WOS) by foreign banks in India vide Press Release dated November 6, 2013. Foreign banks permitted to set up WOS and operating in India as locally incorporated banks have been given near national treatment enabling them to open branches anywhere in the country (except in certain sensitive areas where the Reserve Bank's prior approval would be required) and their participation in the development of the Indian financial sector.

2. As per para - 9 of the abovementioned Framework (on Statutory, regulatory, prudential and other requirements), the WOS of foreign banks will be governed by the provisions of the applicable Acts and other relevant statutes, directives, prudential regulations, guidelines/ instructions issued by RBI from time to time. Further, with reference to Branch Expansion/ Authorisation, the applicability of extant guidelines (Branch Authorisation Policy & as amended from time to time) to domestic scheduled commercial banks, would generally be applicable to WOS of foreign banks.

3. In view of the above, foreign banks operating as WOS and locally incorporated in India may be permitted to participate in various fora under the Lead Bank Scheme, i.e. SLBC/UTLBC, DCC/DLRC and BLBC, in their respective locations as regular members henceforth. As regular members of various fora under Lead Bank Scheme, they will also be part of the credit planning exercise (i.e. Annual Credit Plan) from the Financial Year 2020-21 onwards. Further, guidelines/ instructions as applicable to other member banks under the Scheme will also be applicable to them, unless stated otherwise, including submission of data in the reporting formats prescribed vide letter FIDD.CO.LBS.No.3671/02.01.001/2017-18 dated May 30, 2018.

Yours faithfully,

(Gautam Prasad Borah)
Chief General Manager-in-Charge

SLBC has taken up the matter Reserve Bank of India and it is informed that RBI has granted licence to SBM Bank (India) Limited and DBC Bank India Limited to carry on the business of banking in India through Wholly Owned Subsidiary (WOS) Mode. Both the Banks are not having any branches in India.

3.2.8 Agenda Suggested by Director of Industries and Commerce

(Regarding accepting of Acknowledgement Certificate for setting up of MSME units instead of Local Body Licences)

File No.DIC/15051/2018-PMP3

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29/02/2020

[illegible]

07.02.2020 [illegible] SLBC 154 130 SLBC AGENDA [illegible]

[illegible] 130- [illegible]

1. (a) 2019 [illegible] 3 [illegible] Acknowledgement Certificate [illegible]

Signature valid

ADDITIONAL DIRECTOR

[illegible]

Steering Committee decided to pursue the agenda.

3.2.9. Agenda Suggested by Revenue Department

GOVERNMENT OF KERALA

Revenue (H) Department
19/02/2020,Thiruvananthapuram
Ph.04712518960
revenueh123@gmail.com

No. REV-H3/128/2020-REV

From
Principal Secretary to Government

To
The General Manager
Canara Bank, SLBC Cell,
Circle Office, Canara Bank Buildings
P.B No.159, M.G Road
Thiruvananthapuram 695 001

Sir,

Sub: Revenue Department - 130th meeting - meeting of State Level Bankers Committee Kerala - Agenda furnishing of - reg.

Ref: Letter No.F-RO/08/2020/PLGBA dated 14.02.2020

In inviting your attention to the reference cited I am to forward herewith the agenda item regarding Revenue Recovery Act and RDB Act for discussing the same in the next SLBC meeting.

Yours Faithfully,
DEVADAS P
UNDER SECRETARY
For Principal Secretary to Government.

കേരള സർക്കാർ

10 ലക്ഷം രൂപയ്ക്ക് മുകളിൽ വരുന്ന തുക ഈടാക്കുന്നതിന് ബാങ്കുകൾ Revenue Recovery Act 1968 പ്രകാരം നടപടി സ്വീകരിക്കാൻ പാടില്ലെന്നും അതിന് പകരം ബാങ്കുകൾ Recovery of Debts and Bankruptcy Act 1993 പ്രകാരം നടപടി സ്വീകരിക്കേണ്ടതുമാണെന്ന കോടതി വിധിക്കെതിരെ അപ്പീൽ സമർപ്പിക്കുന്നത് - സംബന്ധിച്ച്

ബഹു. കേരള ഹൈക്കോടതിയുടെ W.P(C) 34704/17 കേസിലും അനുബന്ധ കേസുകളിലുമായി 28.06.2019 തീയതിയിൽ പുറപ്പെടുവിച്ച വിധിന്യായത്തിൽ, 10 ലക്ഷം രൂപയ്ക്ക് മുകളിൽ വരുന്ന തുക ഈടാക്കുന്നതിന് ബാങ്കുകൾ Revenue Recovery Act പ്രകാരം നടപടി സ്വീകരിക്കാൻ പാടില്ലെന്നും, അതിന് പകരം ബാങ്കുകൾ Recovery of Debts and Bankruptcy Act 1993 പ്രകാരം നടപടി സ്വീകരിക്കേണ്ടതുമാണെന്നാണ് പ്രസ്താവിച്ചിട്ടുള്ളത്. ബഹു. കേരള ഹൈക്കോടതിയുടെ Laxmi Enterprises Vs State of Kerala (2008(2) KHC 74) Amrutha ors Vs State of Kerala W P (C) No.19615/2016 എന്നീ കേസുകളിലെ വിധിന്യായങ്ങൾ, ബഹു. സുപ്രീം കോടതിയുടെ Allahabad Bank Vs Canara Bank (2000) 4 SCC 406, Unique butle Tube Industries Vs. U.P Fin. Corp & ors (2003) 2 SCC 455 എന്നീ കേസുകളിലെ വിധിന്യായത്തിന് എതിരാണെന്നും, അവ follow ചെയ്യേണ്ടതില്ലെന്നും, ആയതിനാൽ 10 ലക്ഷം രൂപയ്ക്ക് മുകളിലുള്ള തുകയുടെ റിക്കവറിക്ക് Revenue Recovery Act പ്രകാരമല്ല മറിച്ച് Recovery of Debts and Bankruptcy Act പ്രകാരമുള്ള നടപടികളാണ് ബാങ്കുകൾ സ്വീകരിക്കേണ്ടതെന്നും, അക്കാരണത്താൽ Revenue Recovery Act-ന് കീഴിലുള്ള അധികാരികൾ ബാങ്കുകളുടെ റിക്കവറി നടപടികൾ സ്വീകരിക്കേണ്ടതില്ലെന്നുമാണ് വിധി പ്രസ്താവിച്ചിട്ടുള്ളത്.

1968-ലെ റവന്യൂ റിക്കവറി ആക്റ്റിന്റെ 71-ാം വകുപ്പ് പ്രകാരം സർക്കാരിന് പൊതുതാത്പര്യാർത്ഥം ഏതൊരു സ്ഥാപനത്തെയും ഈ ആക്റ്റിന്റെ പരിധിയിൽ കൊണ്ടുവരാവുന്നതാണ്. സർക്കാരിന്റെ ഈ അധികാരം വിനിയോഗിച്ചുകൊണ്ടാണ് കൃഷി ആവശ്യങ്ങൾക്കും വികസന പദ്ധതികൾക്കുമായി ബാങ്കുകൾ നൽകുന്ന വായ്പകൾ ഈടാക്കുന്ന ആവശ്യത്തിലേക്ക് അതായത് റവന്യൂ റിക്കവറി ആക്റ്റിന്റെ പരിധിയിൽപ്പെടുത്തി യഥാക്രമം S.R.O 797/79, 1485/87 എന്നീ വിജ്ഞാപനങ്ങൾ പുറപ്പെടുവിച്ചത്. ഇതിൽ യഥാക്രമം 'ബാങ്ക്', "കൃഷി ആവശ്യം", "വികസന പദ്ധതികൾ" എന്നീ പദങ്ങൾ നിർവ്വചിച്ചിട്ടുണ്ട്. ഇപ്രകാരം Priority sector-ൽ ഉൾപ്പെടുത്തി ബാങ്കുകളും മറ്റ് ധനകാര്യ സ്ഥാപനങ്ങളും പൊതുജനങ്ങൾക്ക് നൽകുന്ന ലോണുകളുടെ റിക്കവറി വേഗത്തിലാക്കുക എന്ന ലക്ഷ്യത്തോടെയാണ് പൊതുതാല്പര്യം മുൻനിർത്തി ഇത്തരം സ്ഥാപനങ്ങളെ 1968-ലെ കേരള റവന്യൂ റിക്കവറി ആക്റ്റിന്റെ പരിധിയിൽ കൊണ്ടുവന്നത്. ആ നിലക്ക് ടി കോടതിവിധി 1968-ലെ ആക്റ്റ് പ്രകാരം സർക്കാരിൽ നിക്ഷിപ്തമായ അധികാരത്തെയും പൊതുതാല്പര്യത്തെയും ഹനിക്കുന്നതും, ബാങ്കുകൾക്ക് റവന്യൂ റിക്കവറി നടപടികൾ ത്വരിതപ്പെടുത്തുന്നതിനുള്ള അവകാശം വിനിയോഗിക്കുന്നതിനെ ലംഘിക്കുന്നതുമാണ്.

പ്രസ്തുത സാഹചര്യത്തിൽ മേൽവിഷയം സംസ്ഥാനതല ബാങ്കേഴ്സ് സമിതി യോഗത്തിന്റെ പരിഗണനയിൽ കൊണ്ടുവരാൻ സർക്കാർ താൽപര്യപ്പെടുന്നു.

Steering Committee decided to pursue the agenda

3.2.10 Agenda Suggested by NABARD regarding Doubling of Farmers Income by 2022.

संदर्भ सं. राबैं. सीपीडी. जीसीडी/ 1380-1398 / जीएलसी/ 2019-20 31 दिसम्बर 2019
Ref No. NB.CPD.GCD / 1380-1398 / GLC / 2019-20 31 December 2019

परिपत्र सं 328 / सीपीडी-10 / 2019
Circular No. 328/ CPD-10/ 2019

अध्यक्ष/ प्रबंध निदेशक/ मुख्य कार्यपालक अधिकारी

The Chairman/ Managing Director/ Chief Executive Officer

एसएलबीसी संयोजक बैंक/ अग्रणी बैंक

SLBC Convener Banks/ Lead Banks

महोदय

2022 तक किसानों की आय को दोगुना करना – अनुप्रवर्तन के लिए बेंचमार्क विकसित करना

Doubling of Farmers' Income by 2022 - Developing of Benchmark for Monitoring

1. भारतीय रिज़र्व बैंक ने 29 सितंबर 2016 के अपने पत्र सं. एफआईडीडी.सीओ.एलबीएस.बीसी. सं. 16 /02.01.011/2016-17 के माध्यम से एसएलबीसी के सभी संयोजक बैंकों/ अग्रणी बैंकों को सूचित किया था कि वे एसएलबीसी, डीसीसी, डीएलआरसी और बीएलबीसी जैसी विभिन्न समितियों की बैठकों में अग्रणी बैंक योजना के अंतर्गत '2022 तक किसानों की आय को दोगुना करना' विषय को नियमित कार्यसूची में शामिल करें। साथ ही, अग्रणी बैंकों को सूचित किया गया था कि वे प्रगति के अनुप्रवर्तन और समीक्षा के लिए नाबार्ड द्वारा उपलब्ध कराए जाने वाले बेंचमार्कों का उपयोग करें।	1. RBI vide their letter no. FIDD.CO.LBS.BC. No. dated 29 September 2016 had advised all SLBC Convenor Banks/ Lead Banks to include 'Doubling of Farmer's Income by 2022' as a regular agenda under Lead Bank Scheme in various fora such as SLBC, DCC, DLRC and BLBC. Further, Lead Banks were advised to use the benchmarks, to be provided by NABARD for the purpose of monitoring and reviewing the progress.
2. नाबार्ड ने '2022 तक किसानों की आय को दोगुना करना' मद के अंतर्गत प्रगति के अनुप्रवर्तन और समीक्षा के लिए भारतीय रिज़र्व बैंक, चुने हुए एसएलबीसी और अन्य हितधारकों के परामर्श से बेंचमार्क/ संकेतक विकसित किए हैं। नीचे दिए गए बेंचमार्क/ संकेतक मुख्यतः **ऋण से संबन्धित हैं क्योंकि एसएलबीसी/ डीएलसीसी/ बीएलबीसी मुख्यतः बैंकरों के मंच हैं।**	2. NABARD in consultation with RBI, selected SLBC and other stakeholders have developed the benchmarks/ indicators for monitoring and reviewing the progress under Doubling of Farmers' Income by 2022. The benchmark/ indicators given below are related mainly to **credit aspects considering that SLBCs/ DLCCs/BLBCs are mainly Bankers' Fora.**

Indicators:

क्र.सं./ Sr.No.	संकेतक/ Indicator	विवरण/ Measures
अ/A.	बेंचमार्क संबंधी मानदंड/ BENCHMARK PARAMETERS	
1	किसानों का कवरेज/ Coverage of Farmers	क. राज्य में किसानों की संख्या की तुलना में कृषि ऋण खातों की सं. a. No. of agri loan accounts as compared to number of farmers in the state
		ख. वर्ष के दौरान राज्य/ जिला/ ब्लॉक में एसएफ/ एमएफ की कुल संख्या में हिस्से के रूप में वित्तपोषित (संवितरित) एसएफ/ एमएफ खातों की सं. b. No. of SF/ MF accounts financed (disbursed) during the year as a share of total number of SF/ MF in the State/ District/ Block
2	अल्पावधि ऋण/ Short Term Credit	क. निवल कृषि भूमि में प्रति हेक्टेयर संवितरित फसल ऋण a. Crop loan disbursed per hectare of net cultivable area
		ख. कुल वित्तपोषित किसानों में एसएफ/ एमएफ/ बटाईदार किसानों का हिस्सा (खातों की सं.) b. Share of SF/MF/Tenant farmers in total farmers financed (No. of accounts)
		ग. कुल वित्तपोषित किसानों में एसएफ/ एमएफ/ बटाईदार किसानों का हिस्सा (राशि) c. Share of SF/MF/Tenant farmers in total farmers financed (Amount)
		घ. किसानों को कुल ऋण में अनुषंगी गतिविधियों का हिस्सा (खातों की सं.)

		d. Share of allied activities in total loans to farmers (No. of accounts)
		ङ. किसानों को कुल ऋण में अनुषंगी गतिविधियों का हिस्सा (राशि) e. Share of allied activities in total loans to farmers (Amount)
3	सावधि ऋण/ Term Loan	क. कुल वित्तपोषित किसानों में एसएफ/ एमएफ/ बटाईदार किसानों का हिस्सा (खातों की सं.) a. Share of SF/MF/Tenant farmers in total farmers financed (No. of accounts)
		ख. कुल वित्तपोषित किसानों में एसएफ/ एमएफ/ बटाईदार किसानों का हिस्सा (राशि) b. Share of SF/MF/Tenant farmers in total farmers financed (Amount)
		ग. किसानों को कुल ऋण में अनुषंगी गतिविधियों का हिस्सा (खातों की सं.) c. Share of allied activities in total loans to farmers (No. of accounts)
		घ. किसानों को कुल ऋण में अनुषंगी गतिविधियों का हिस्सा (राशि) d. Share of allied activities in total loans to farmers (Amount)
4	फसल बीमा के अंतर्गत कवरेज का दायरा/ Extent of Coverage under Crop Insurance	कुल वित्तपोषित फसल ऋण खातों बीमाकृत फसल ऋण खातों की सं. No. of Crop Loan accounts covered under insurance to that of total crop loan accounts financed
आ/ B	**वृद्धि के मानदंड (पूर्व अवधि की अपेक्षा)/ GROWTH PARAMETERS (over the previous period)**	
1	अनुषंगी गतिविधियों के लिए अल्पावधि ऋण/ कार्यशील पूंजी/ Short Term Credit/working capital for allied activities	क. किसानों को अनुषंगी गतिविधियों के लिए अल्पावधि ऋण/ कार्यशील पूंजी खातों की संख्या में वृद्धि a. Growth in number of accounts of short term credit/working capital for allied activities to farmers
		ख. किसानों को अनुषंगी गतिविधियों के लिए अल्पावधि ऋण/ कार्यशील पूंजी राशि में वृद्धि b. Growth in amount of short term credit/working capital for allied activities to farmers
2	कृषि में पूंजी निर्माण/ Capital formation in Agriculture	कृषि सावधि ऋण संवितरण में वृद्धि/ Growth in Agriculture Term Loan disbursed : क/a. कृषि और अनुषंगी गतिविधियाँ (कृषि ऋण)/ Agriculture and allied activities (Farm Credit) ख/b. कृषि आधारभूत संरचना/ Agriculture Infrastructure ग/c. सहयोगी गतिविधियाँ/ Ancillary activities
3	फसल बीमा/ Crop Insurance	प्राप्त और निपटाए गए दावों की संख्या में वृद्धि/ Growth in number of claims received and settled
4	बाजार विकास/ लिंकेज/ Market Development/Linkage	क. बैंकों द्वारा वित्तपोषित एफपीओ की संख्या में वृद्धि a. Growth in Number of FPOs financed by banks
		ख. बैंकों द्वारा वित्तपोषित एसएचजी/ जेएलजी की संख्या में वृद्धि b. Growth in Number of SHGs/JLGs financed by banks
		ग. भंडारागार रसीदों के समक्ष वित्तपोषित खातों की संख्या में वृद्धि c. Growth in Number of accounts financed against warehouse receipts

आपसे अनुरोध है कि योजना के अंतर्गत प्रगति के अनुप्रवर्तन और समीक्षा के लिए उक्त बेंचमार्कों/ संकेतकों को शामिल करने के लिए आवश्यक तंत्र स्थापित करें. समीक्षा अधिमानतः वार्षिक आधार पर की जाए।	You are requested to institute necessary mechanism for incorporating aforesaid benchmarks/ indicators for monitoring and reviewing the progress made under the scheme. The review may preferably be carried out on yearly basis.

भवदीय/ Yours faithfully,

डॉ. ए. के. सूद / Dr. A. K. Sood

(महाप्रबंधक/ General Manager)

Steering Committee decided to pursue the agenda

3.2.11. Agenda Suggested by LDM Wayanad

Report regarding the rejection of flood benefit to the account of the wife of the deceased Sanal.

The account of wife of the deceased Sanal was with SBI, Kottappadi Branch, which is a no frill account. As per the extant guidelines, the maximum balance is these accounts should not be more than Rs.50000/- at any point of time. Hence, some of the banks are not allowing any credit more than Rs,. 50000/- to these accounts in any mode including NEFT/RTGS, which are incorporated in their central servers. In some other banks, the upper cap is above Rs. 100000/- On such rejections, in most of the cases the crediting branch may not be getting any notifications in this regard. The rejected amount will be going back to the initiating bank and they need to reconcile.

In the instant case, the rejection happened without the knowledge of the bank or the customer. Hence, the data of such rejections in the district is not available with the banks in the district/lead bank. However, the list of rejected accounts can be generated by the initiating bank.

The issue may be sorted out either of the following way: -

1. All the beneficiaries may be instructed submit the required KYC documents to their banks and convert their accounts to normal accounts wherein the credit above Rs. 1 lakh allowed.
2. Request the State Level Bankers' Committee to take up an agenda to allow the banks operating in the state to accept the credit above Rs. 1 lakh also in no frill accounts with the consent of RBI and alternatively change them to normal accounts after obtaining the required KYC documents from the customers.

3.2.12. Agenda suggested by Indian Bankers Association regarding E-Stamping of Bank Guarantees.

Indian Banks' Association

PS&BT/SLBC/AES/8342

December 9, 2019

The Chief Executives of Public Sector Banks

Dear Sir/Madam,

For Kind Attention of the Banks who hold the State Level Lead Bank Responsibility

Implementation of Digital E-Stamping facility on Bank Guarantees

In view of the Digitisation of Trade Processes, IBA had constituted a Working Group with few Select Member Banks, FEDAI, SWIFT & StockHolding Corporation. Three Sub Groups were formed under this Working Group. One of the Sub Groups, viz. Sub Group on E-Stamping and E-Bank Guarantee had come out with the implementation of "Automated E-Stamping (AES)" after constant endeavors.

2. The Sub Group on E-Stamping and E- Bank Guarantee and the StockHolding Corporation had finalised the procedural Guidelines of AES. (Copy enclosed as Annexure-A). SWIFT India Domestic Service plays the role of Implementing Agency. The Government of NCT of Delhi vide its communication dated May 27, 2019 had approved the proposal of payment of stamp duty through digital E-Stamping on Bank Guarantee. With the enormous support of the Delhi Government, StockHolding Corporation of India and Swift-India, E-Stamping had been successfully launched, using SWIFT Messaging System, by few Banks, in Delhi on 22nd August, 2019. Subsequently, the E-Stamp Certificate number along with the details of the Stamp Duty is being embossed on Bank Guarantee. Issuing of E-Stamp Certificate number reduces Paper work and also helps in completing the task quickly.

3. Considering the above benefits, all Member Banks, who hold the State Level Lead Bank Responsibility, are requested to advise their SLBC Convenors to discuss the matter in the SLBC Meetings and take up the matter with their respective State Governments, for the implementation of E-Stamping facility on Bank Guarantee in their States.

Yours faithfully,

(B Raj Kumar)
Deputy Chief Executive.

Steering Committee decided to pursue the agenda