

129th Meeting of State Level Bankers Committee, Kerala Agenda & Background Notes

1. ADOPTION OF MINUTES OF 128th SLBC 2019

The minutes of State Level Review Meeting held on 03rd October 2019 was circulated vide SLBC letter no SLBC/K/128/MINUTES/AJS dated 30th Oct 2019.

The house may adopt the said minutes.

2. PENDING ISSUES

2.1 Pending Issues in Primary Sector

2.1.1. Doubling Farmers' Income by year 2022 (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:

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 SLB 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.*

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

Gist

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.

On the basis of it, NABARD had requested to incorporate the above issues in the agenda for 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.

Action Taken:

*SLBC has taken up the matter with DFS vide letter: **Kerala SLBC/PMSBY/106/2019 dated 29/11/2019**, duly incorporating all the above points. We are yet to receive the directions from DFS in this regard.*

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. RBI had suggested to include it as a regular agenda in the State Level Bankers' Committee meetings and also to apprise the Government of Kerala of 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.

2.2 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:

The 127th SLBC requested the banks which have not constituted the committees yet to do so and update to SLBC. It was pursued in the 128th SLBC meeting also. Most of the banks have constituted the committee.

2.3 Pending Issues in Tertiary 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 the 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 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:

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

As of now, there is no legal obligation on the part of the Village authorities to note bank's charge in the Thandaper Register. If that 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 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 views in this regard was 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 request 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.*

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 recommendations 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. Government may charge reasonable fee for the facility as suggested above.
5. Government may also facilitate a real-time online search option in Book1 at a reasonable fee.

126th SLBC forum decided to write to the Govt Department to update the progress on the matter. On discussion with Sri Manoj Joshi IAS (ACS, Finance Dept), he had informed to take up the subject matter with Taxes Department, Govt of Kerala. Hence SLBC has written to Taxes department also. No further developments in this regard.

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

Convenor:



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 Principal 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
Vanchiyoore, 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 P.K. S. JANKUMAR
Date: 2019.05.15 10:43:56 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	6184520	5455916	5333286	4896332
2	ALLAHABAD BANK	2378603	508605	508605	315060
3	ANDHRA BANK	5324484	2354384	2117308	2003656
4	BANK OF BARODA	34119546	13846841	13530831	10925772
5	BANK OF INDIA	61424562	24377785	24216692	23368179
6	CANARA BANK	458315112	221479642	215845423	206266310
7	CATHOLIC SYRIAN BANK LTD	49950194	36237726	36107286	36107286
8	CENTRAL BANK OF INDIA	120803313	61994208	61747599	60319128
9	CITY UNION BANK LTD	0	0	0	0
10	CORPORATION BANK	78756515	48735994	48462724	45854519
11	DENA BANK	3230789	2485334	1759993	1759993
12	DHANLAXMI BANK LTD	13540305	6966142	5368031	5080054
13	FEDERAL BANK LTD	307191942	190557830	189954779	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	92759171	39334209	38814256	36747391
19	INDIAN OVERSEAS BANK	143800062	64024010	59582107	53240014
20	KANNUR DISTRICT CO OPERATIVE BANK	337831	239656	160481	160481
21	KARNATAKA BANK	2298045	334562	232500	232500
22	KARUR VYSYA BANK	373824	0	0	0
23	KASARGOD DISTRICT CO OPERATIVE BANK LTD	410800	409800	409800	409800
24	KERALA GRAMIN BANK	378712423	366967895	366159139	358758026

25	Kerala State Co operative Agricultural and Rural Development Bank Ltd	1113092	902089	506089	346729
26	Kerala State Co operative Bank	88772107	82429820	82353120	81969512
27	KOLLAM DISTRICT CO OPERATIVE BANK	11744118	10745988	10151088	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	8891263	4560440	4100389	4100389
31	PATHANAMTHITTA DISTRICT CO OPERATIVE BANK LTD	1455721	1058389	1058389	1058389
32	PUNJAB NATIONAL BANK	85893038	35081136	34530119	32681982
33	PUNJAB SIND BANK	316082	198000	198000	198000
34	SOUTH INDIAN BANK	62703961	29732252	29521184	27024848
35	STATE BANK OF INDIA	991050433	563961288	549459571	534793177
36	SYNDICATE BANK	187028493	95479263	89122057	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	19778995	11941110	9567198	9567198
41	UNION BANK OF INDIA	224715454	136089935	131060243	125101649
42	UNITED BANK OF INDIA	752107	752107	646988	646988
43	VIJAYA BANK	37009794	13981593	13856259	13852982
44	WAYANAD DISTRICT CO OPERATIVE BANK	475716	153450	0	0
	TOTAL	3502129874	2080113288	2032379963	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. 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 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. To have uniformity in database, SLBC has requested RBI to provide the Block Code data.

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	No. of Applications	Pending Since
Alappuzha	6.33	2015-16
	9.56	2016-17
Calicut	341	2015-16
	545	2016-17
Kannur	336	01.04.2015 to 31.03.2017
Wayanad	7.02	2015-16
	8.42	2016-17
Pathanamthitta	6.23	2015-16
	7.74	2016-17
Trivandrum	962	2015-16
Kasaragod	177	2015 - 2016
	267	2016 - 2017
Idukki	4,26,600/- (NRLM claim)	2015-16
	72075/- (PMEGP – EDP)	2016-17
	37763/- (PMEGP – EDP)	2017-18
Kollam	630	14.10.2016 to 29.07.2017
Palakkad	847	2015 to 2017
Thrissur	1458	2014 to 2017
Ernakulam	4	2015- 2017
Kottayam	7.28	2015-16
	7.47	2016-17
Malappuram	875	2011 to 2017

In 125th SLBC ED of Kudumbashree informed that 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.

Based on the discussions the forum SLBC has again written to ED Kudumbashree in reply to the matter.

Ref: Kerala SLBC/127/55/MA/2019

Date: 16 Feb 2019

To

**THE EXECUTIVE DIRECTOR
KUDUMBASHREE STATE MISSION
THIRUVANANTHAPURAM**

Dear Sir,

Sub: Pending Reimbursement of Training Expenses of BPL candidates to RSETIs

Ref: Our letter no Kerala SLBC/35/145/GN/2017 dt Nov 24th 2017

Our letter No. Kerala SLBC/35/55/GN/2018 dt 4th Jun 2018

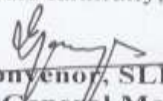
Kindly refer to the cited letters from our office regarding the pending reimbursement of training expenses of BPL candidates payable to the RSETIs of the state

These reimbursements are channelled by the MoRD, through your office. Since it is pending for long, it was placed by the concerned banks as an agenda in the SLBC meetings

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

This being the case, we request that we may be given an update on the current status of the pending payable claims in order to place in the ensuing SLBC meeting and also to take up with MoRD if necessary.

Thanking you,
Yours faithfully,


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

Action Taken

First Stage of release of Rs 1.6 Cr has been received vide Order No.7683/M Skill/2013/KSHO dated May 2019. SLBC is pursuing the matter for the remaining portion also.

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 126 SLBC that Digitization 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 127 SLBC 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.

The steering committee noted that no progress is reported and decided to pursue the matter.

In 128th SLBC, Sri. Manoj Joshi IAS, ACS, Finance Department, GoK informed that a subcommittee should be formed to discuss the long pending issues by involving the concerned departments and major banks. Accordingly, a sub-committee was formed to resolve the long pending issues and its meeting was held on 08.11.2019. However no Senior Official from the Government, competent to give clarifications, attended the meeting. SLBC requests all to ensure participation in the sub-committee meetings.

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 15/02/2019 on various issues relating to the matter. SLBC has, vide SLBCKERALA/127/5/MA/2019, also subsequently requested LDMs to update the position. Some Banks have expressed difficulty in identifying FLCs in certain areas. RBI has advised LDM's to identify vacant FLCs and explore allotting it to other Banks.

The latest datas are being collected by LDMs and consolidated at SLBC.

Different issues regarding individual banks are being sorted out.

The steering committee recommended to pursue the matter.

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:

- (i) Identification of borrowers;
- (ii) Collection and preliminary processing of loan applications including verification of primary information/data;
- (iii) Creating awareness about savings and other products and education and advice on managing money and debt counselling;
- (iv) Processing and submission of applications to banks;
- (v) Promoting, nurturing and monitoring of Self Help Groups/ Joint Liability Groups/ Credit Groups/others;
- (vi) Post sanction monitoring;
- (vii) Follow-up for recovery;
- (viii) Disbursal of small value credit;
- (ix) Recovery of principal/collection of interest;
- (x) 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 128 SLBC, Sri.Srinivasan, CGM, NABARD informed the forum that NABARD has a scheme called “Dual Authentication at BC points for SHG transactions”. The scheme aims to provide an enabling eco-system for the SHGs to seamlessly operate at BC points with the proposed ‘Dual Authentication’ feature, the scheme under FIF (Financial Inclusion Fund) to support Scheduled Commercial Banks (SCBs) and Regional Rural Banks (RRBs) for enabling Dual Authentication option in the micro ATMs for SHG transactions. It will help to reduce the crowd at the bank branches and will also be beneficial for the SHGs also. BCs have to be equipped with adequate equipments so that authentication is possible. Banks can take support from NABARD for the expenses incurred for installing the required software. Banks can write to NABARD Kerala office in this regard.

SLBC has requested member Banks to confirm that BCs are undertaking all eligible activities.

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.

In 128th SLBC, Sri.Srinivasan, CGM, NABARD informed the forum that under Financial inclusion fund (FIF), NABARD is extending support for setting up of VSATs in dark areas and in grey areas and also for setting up of mobile boosters.

SLBC has not so far received any connectivity related issues from any of the member banks.

2.3.10 Agenda by LDM Malappuram

During DLRC held on 28/11/2018, KSSIA and DIC pointed out that Pollution Control Board is insisting 5 years rent agreement for issuing NOC to the entrepreneurs who are running their business in rented buildings. But in practice, 11 months agreements are executed with a condition to renew further. Stop memo is also issuing in some cases who fails to produce 5 years agreement. This is causing difficulties to the entrepreneurs. Matter may be discussed in SLBC to find out a solution.

Director of Finance and Commerce vide letter No.DIC/2044/2019-TC-T5 dated 27.09.2019 informed that "The matter was taken up with Kerala state pollution control board and that the Chairman, Kerala State Pollution Control Board has agreed to issue NOC to enterprises functioning in rented buildings, even if rent agreement for 11 months is produced and the consent will remain in force till the rent agreement is renewed.

File No.DIC/2044/2019-TC-T5

04 OCT 2019

150
YEARS OF
INDEPENDENCE

No. DIC/2044/2019-TC-T5

Directorate of Industries and Commerce
3rd Floor, Vikas Bhavan Complex,
Vikas Bhavan, Thiruvananthapuram.
Pin - 695033.
Phone : 0471-2302722.
e-mail : industriesdirectorat@gmail.com
Dated : 27/09/2019

From

Director of Industries & Commerce

To

The Convenor
State Level Banker's Committee
SLBC Cell, Canara Bank Circle,
M.G.Road, Thiruvananthapuram-695 001

Sir,

Sub :- Industries - Reply to Agenda item Number 2.3.11(Agenda by LDM Malappuram) of 128th SLBC Meeting Scheduled on 03.10.2019

Ref :- 1. Letter No:PCB/HO/SEE-3/Tech/66/2019 dated 23.09.2019 of Chairman Kerala State Pollution Control Board
2. Circular No.PCB/HO/Circular-1/3/2017 dated 21.11.2018

Kind attention is invited to the reference cited.

In Agenda No.2.3.11 of 128th State Level Banker's Committee Scheduled on 03.10.2019, the difficulties faced by the Entrepreneurs in producing Five Years rent agreement for obtaining N.O.C from Pollution Control Board is mentioned.

The matter was taken up by this office with Kerala State Pollution Control Board and as per the letter in reference (1) cited, the Chairman, Kerala State Pollution Control Board has agreed to issue N.O.C to enterprises functioning in rented building, even if Rent agreement for 11 months is produced and consent will remain in force if the rent agreement is renewed.

As per Circular of the Chairman, Kerala State Pollution Control Board in reference (2) cited, rent agreement need not be registered for Enterprises with investment less than 5 Crore.

Since the issue mentioned in the captioned agenda item is resolved, the agenda item may be disposed off. Please do disseminate the information to the concerned.

Signature valid

Yours faithfully

Digitally signed by
Suresh Kumar S
Date: 2019.09.27
17:32:56 +05'30'
Reason: Approved

**SURESHKUMAR S
JOINT DIRECTOR**

For Director of Industries and Commerce

Encl : Copy of Reference (1) cited.



☎ : General: 0471- 2312910, 2318153, 2318154, 2318155 Chairman: 2318150 Member Secretary: 2318151
E-mail: ms.kspcb@gov.in FAX: 0471- 2318134, 2318152 web: www.keralapscb.nic.in
KERALA STATE POLLUTION CONTROL BOARD
കേരള സംസ്ഥാന മലിനീകരണ നിയന്ത്രണ ബോർഡ്
Pattom P.O., Thiruvananthapuram - 695 004
പട്ടം പി.ഒ., തിരുവനന്തപുരം - 695 004

പിസിബി/എച്ച്.ഐ.എസ്.ഇ-2/ടെക്/66/2019

തീയതി: 23/09/2019

“ഭരണഭാഷ മാതൃഭാഷ”

പ്രേഷിതൻ

ചെയർമാൻ

സ്വീകർത്താവ്

വ്യവസായ വാണിജ്യ ഡയറക്ടർ,
വ്യവസായ വാണിജ്യ ഡയറക്ടർ,
മൂന്നാം നില, വികാസ് ഭവൻ,
തിരുവനന്തപുരം.

വിഷയം:- വ്യവസായം - ടെക്നിക്കൽ കൺസൾട്ടന്റ് വിഭാഗം - വ്യവസായ
യൂണിറ്റുകൾക്ക് എൻ.ഒ.സി നൽകുന്നതിനുള്ള വാടകക്കരാറിന്റെ കാലാവധി
- സംബന്ധിച്ച്.

സൂചന:- 1) 18/07/2019 ലെ താമയുടെ ഓഫീസിലെ കത്ത് നം. ഡി.എസ്.സി/2044/
2019-TC-T5.
2) 15/08/2019 ലെ ഈ ഓഫീസിലെ ഇതേ നമ്പർ കത്ത്.

സർ,
വാടക കെട്ടിടത്തിൽ പ്രവർത്തിക്കുന്ന യൂണിറ്റുകൾക്ക് ബോർഡിൽ നിന്നും അനുമതിപത്രം നൽകുന്ന 5 വർഷത്തേയ്ക്കുള്ള വാടക കരാർ ആവശ്യപ്പെടുന്നത് വ്യവസായ സംരംഭകർക്ക് ബുദ്ധിമുട്ടുണ്ടാക്കുന്നതായി സൂചന (1) കത്ത് പ്രകാരം അറിയിച്ചിരുന്നു. വാടകകെട്ടിടങ്ങൾ സാധാരണ 11 മാസത്തെ കരാറാണ് വയ്ക്കുന്നതെന്നും പിന്നീട് പുതുക്കുകയാണ് ചെയ്യുന്നതെന്നും ആയതിനാൽ 5 വർഷ കാലാവധിയുള്ള വാടക കരാർ സമർപ്പിക്കാൻ ബുദ്ധിമുട്ടാണെന്നും കെ.എസ്.എസ്.എ.എ യും ഡി.ഐ.സി.യും അറിയിച്ചിരിക്കുന്നു. പ്രസ്തുത വിഷയം പരിഗണിച്ച് 11 മാസത്തെ കരാറാണ് അപേക്ഷയോടൊപ്പം സമർപ്പിക്കുന്നതെങ്കിലും വാടക കരാർ സാധ്യതയുള്ള കാലയളവിലേക്ക് മാത്രമേ അനുമതി പുത്രത്തിനും സാധ്യതയുണ്ടാവൂ എന്ന നിബന്ധന അനുമതി പുത്രത്തിൽ ഉൾപ്പെടുത്തി നൽകാനുള്ള നടപടി സ്വീകരിക്കുന്നതാണ് എന്ന് അറിയിക്കുന്നു. വാടക കരാർ പുതുക്കിക്കൊണ്ടിരിക്കുന്നപക്ഷം കൺസെന്റ് സാധ്യതയുള്ളതായി തുടരുന്നതാണ്.

വിശ്വസ്തതയോടെ,

Apil Hanuman

ചെയർമാൻ

Since the issue has been resolved the agenda may be dropped.

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.

128th SLBC forum requested, the Revenue Department to sort out this issue.

2.3.12 Agenda suggested by Reserve Bank of India

A] Reallocation of blocks for appointment of FLCs

Continuous requests were received from banks like SBI, SIB etc. regarding exemption of appointing FLCs at certain blocks as the banks have engaged FLCs in other blocks in the district. Therefore, SLBC may explore the feasibility of reallocating the blocks to other banks, depending upon the request received from banks.

Sri. V R Praveen Kumar, General Manager, RBI stated that the RBI has prepared a list of vacant FLCs. These vacant FLCs can be reallocated to other banks.

The forum requested the concerned LDMs to discuss this matter in the DLRC meetings and give the feedback of interested banks.

The forum decided to pursue the agenda

B] Standardisation of SLBC Website

In terms of para 2.3.5 of MC on LBS dated July 02, 2018, SLBC convenor banks are required to maintain SLBC website with information on banking outlets, BCs, FLCs, SHG-bank linkage etc. which are to be updated at quarterly intervals (in prescribed format given in MC). It is also requested to upload and update the contact details of nodal officers (Name, Mobile Number, E-mail id, etc.) of banks on the website as a single point contact.

128th SLBC forum observed that SLBC site is up to date.

2.3.13. 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 steering committee recommended to pursue the matter.

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.

2.3.14 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.

2.3.15 Agenda suggested by Federal Bank on Income Recognition, Amount Classification and provisioning norms for agricultural advances.

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

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 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.

.....
119th 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 Mone 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 05 to December 05	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. Varesb 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

C:\Users\BPN\Desktop\156 of BPFA Asset Classification And Advances TRAC norms SLBC discussion.doc

3

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 Gujarat, 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
Harvest Time	October-November 04	February-March 05
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. Gotti, 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.52/05.10.001/2014-15 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

(vii) 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.

In 128th SLBC, Sri. Srinivasan, CGM, NABARD informed the forum that scale of finance for all agricultural loans is fixed by the State Level Task Force in which include SLBC, NABARD, Agricultural Department as its members. Along with scale of finance, periodicity (sowing, harvesting etc) of the crops is also fixed. In the next SLTF meeting, this issue will be taken up.

2.3.16 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.

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

SLBC has vide letter Kerala SLBC/112/FISH/2019/AJS dtd 21/12/2019 requested Fisheries Department to incorporate the hypothecation field in online portal so that financing Banks can mark their hypothecation. The matter is being pursued.

2.3.17 Agenda by RBI

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.

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. To have uniformity in database, SLBC has requested RBI to provide the Block Code data

3. FRESH ISSUES

3.1 Primary Sector

3.1.1 Minutes of SLBC sub committee on Natural Calamity on 08.11.2019 (Information Note by SLBC Convenor)

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

Convenor:



Ref: Kerala SLBC/NC/2019

Date: 11 Nov 2019

SLBC Sub Committee on Natural Calamity -
Decisions taken in the meeting dt 8th November 2019

The meeting commenced at 03.30 pm in the Board Room , Floor no 6 , Canara Bank Building , Trivandrum , with Sri.Shaji S, DGM, Canara Bank, representing Convener, SLBC Kerala in Chair. The list of participants is annexed.

The Committee analysed the developments/decisions taken in the meeting of Natural Calamity Sub-committee held on 04/09/2019 and following decisions/clarifications were made:-

- The forum noted that number of application received for restructuring/moratorium are very less and also farmers are not coming forward to avail the relief measures. The forum decided to give more publicity through digital and print media.
- Lead Banks are conducting large number of awareness camps on moratorium and KCCS saturation in coordination with Agriculture departments and FLCs. The activities to be pursued.
- An orientation campaign on financial literacy must be conducted jointly by Banks, Agriculture Department and FLCs for sensitising the farmers.
- Sri. V V Visakh, AGM, RBI has informed that the chance of extending cut-off date for moratorium is very less and hence advised the Banks/Govt Agencies to expedite their efforts by reaching out to the eligible customers through letters, SMS, emails, television advertisements or otherwise so as to extend benefit to as much eligible accounts as possible on or before the due date i.e. 25th November 2019
- Sri Bobby Antony, Addl. Secretary, Department of Agriculture, Govt of Kerala has informed that they have conducted 699 campaigns through 1076 Krishi Bhavans and that 31033 farmers participated in the programmes.
- The forum decided that all the decisions taken by subcommittee on Natural calamity 2018-19 are applicable to the current year natural calamity i.e, 2019-20 also.
- Individual Banks may explore the possibility of sending messages, placing banners etc in branch premises about the moratorium.
- Banks to report progress extended under Natural calamity relief measure to SLBC in the format already circulated to member banks.

The meeting concluded at 4pm with a vote of thanks by Sri Sanjumon V, DM, Canara Bank on behalf of SLBC.

3.1.2 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.

Steering committee requested to pursue the agenda

3.1.3 Agenda Suggested by Lead District Manager Alappuzha

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 farmers.

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 SLBC 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.

Incidentally, we are attaching the reply received from the Principal Agricultural Officer, Alappuzha in this regard for your kind reference.

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വിഷയം:- വിള ഇൻഷുറൻസ് പോളിസിയിൽ hypothecation clause -
രേഖപ്പെടുത്തുന്നത് - സംബന്ധിച്ച്.

സൂചന:- താങ്കളുടെ 29.10.19 ലെ കത്ത്.

സൂചനയിലേക്ക് ശ്രദ്ധ ക്ഷണിക്കുന്നു. സൂചന പ്രകാരമുള്ള കത്തിൽ ശ്രീ.ഷിബു ജോർജ്ജിന്റെ വിള ഇൻഷുറൻസ് പോളിസിയിൽ banks hypothecation clause രേഖപ്പെടുത്തണമെന്ന് താങ്കൾ ആവശ്യപ്പെട്ടിരുന്നെങ്കിലും പോളിസിയിൽ banks hypothecation clause ന് വ്യവസ്ഥയില്ലാത്തതിനാൽ ആയതിന് നിർവാഹമില്ല എന്ന് അറിയിക്കുന്നു.



വിശ്വസ്തതയോടെ,

കൃഷി ഡെവലപ്പ്മെന്റ് ഡയറക്ടർ (സി)
പ്രിൻസിപ്പൽ കൃഷി ഓഫീസർക്ക് വേണ്ടി

വവി/22/19

Steering committee requested to pursue the agenda

3.2 Secondary Sector

3.2.1. Relaxation of eligibility under Ujeevana Support Scheme

During the District Level Review Committee Meeting held on December 07, 2019 at Pathanamthitta, Hon'ble MP Shri Anto Antony suggested following modifications in the Ujeevana Scheme:

- a) All flood affected Businessmen/ shopkeepers/ Agriculturist/ Industrialist can avail loan to restart their business/ units and livelihood activities fully affected in 2018 flood.
- b) Relaxation should be provided in the eligibility criteria for existing borrowers i.e. condition that the asset should be standard as on July 31, 2018.

Further, a new scheme shall be launched for the welfare of flood affected units to get a start-up support from banks irrespective of status of the unit and the existing loan (a separate SHG loan of Rs. 1 lakh with interest subsidy for the women, who is a close family member of the affected Businessman)

Steering committee requested to pursue the agenda

3.2.2 Agenda Suggested by Additional Chief Secretary, GOK


GOVERNMENT OF KERALA

No.PLG-A2/283/2019/Fin **Finance (Planning- A) Department**
Thiruvananthapuram
Dated :11/11/2019
Phone No : 0471 2518681

From Additional Chief Secretary (Finance)

To The Convener,
SLBC, Canara Bank Building,
M.G.Road, Thiruvananthapuram.

Sir,

Sub: SLBC Kerala- 129th Meeting of State Level Banker's committee –
Agenda- Forwarding of - Reg
Ref : 1. letters No.PLG-A2/114/2019/Fin dated 16.10.2019 and No.PLG-A2/219/2019/Fin dated 20.09.2019 (Copy enclosed)
2. That office letter No.SLBC 94 129 SLBC AGENDA dated 04.11.2019.

Attention is invited to the references cited. This department has already forwarded two issues on ELRS and UJJIVANA scheme for including in the agenda of SLBC meeting vide letters first cited. Hence, I am to request you to include the issues mentioned in our letters cited in the agenda of the 129th meeting of SLBC proposed to be held during November 2019.

Yours Faithfully,
V.R.RAJAMMA
ADDITIONAL SECRETARY
For Additional Chief Secretary (Finance)

1. Representation received from Wood Industries Welfare Association regarding Ujeevana Scheme


GOVERNMENT OF KERALA

No.PLG-A2/114/2019/Fin **Finance (Planning- A) Department**
Thiruvananthapuram
Dated : 16/10/2019

From Additional Chief Secretary (Finance)

To The Convener
SLBC, Canara Bank Building
M.G.Road, Thiruvananthapuram.

Sir,

Sub: Representation received from Wood Industries Welfare Association – Forwarding - reg.
Ref: Representation received from Wood Industries Welfare Association (Copy enclosed).

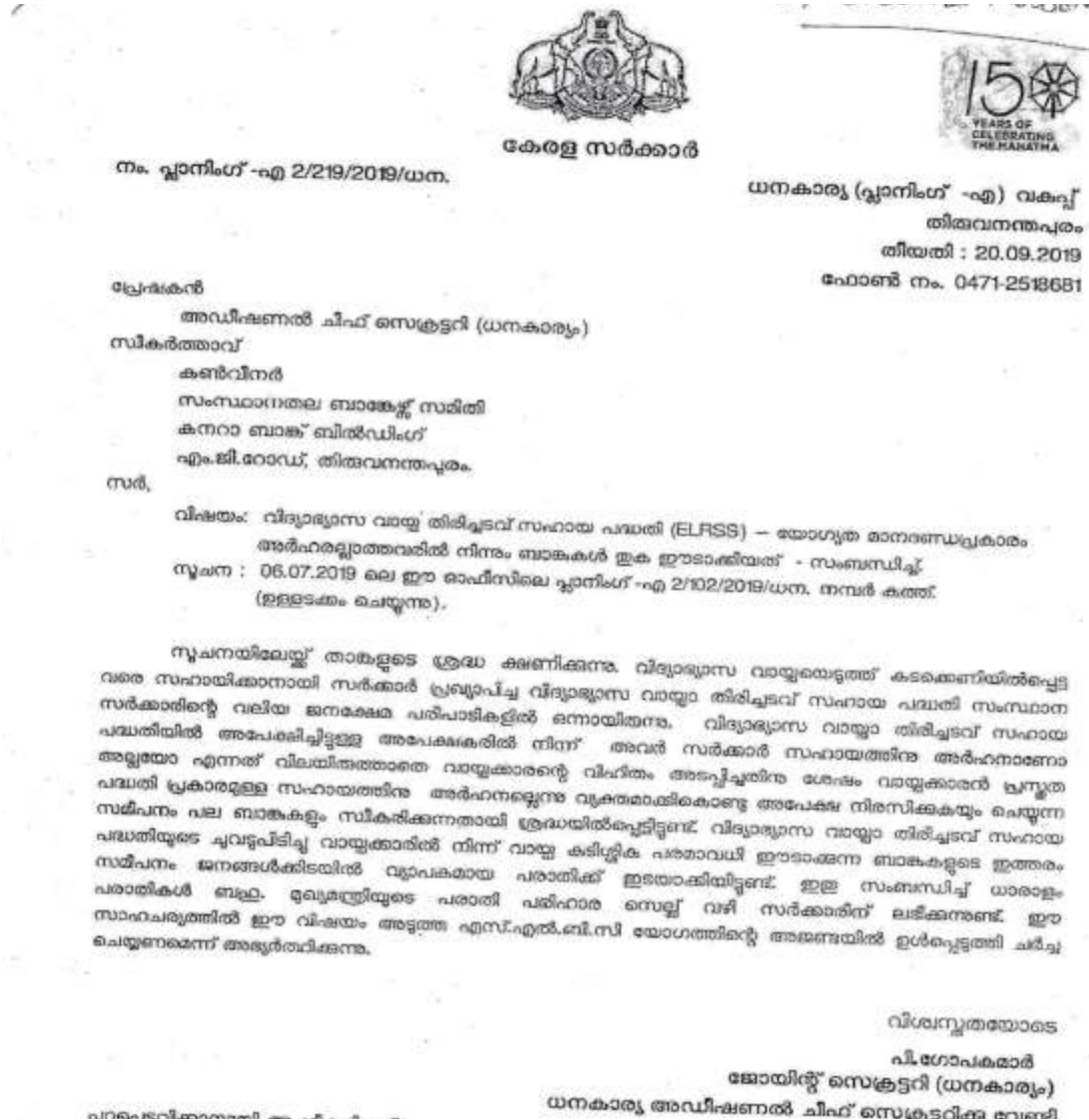
Attention is invited to the reference cited. Wood Industries Welfare Association, in its representation cited above, has stated that the victims of 2018 flood are not getting adequate financial assistance from banks under UJJIVANA Scheme of the State Government. Hence, you are requested to look into the matter and take up the issue in the SLBC meeting to ensure that eligible applications are received assistance under the scheme.

Yours Faithfully,
V.R.RAJAMMA
ADDITIONAL SECRETARY
For Additional Chief Secretary (Finance)

Approved for Issue

Steering committee informed that banks may extend necessary credit support on merit within the existing schemes

2. Regarding ELRS - Eligibility Criteria



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 in many students becoming ineligible for the scheme..

The cases were the students are not eligible, bank may support offering OTS within the existing guidelines.

The forum decided to pursue the agenda.

3.2.3 Agenda Note on PMEGP

PMEGP e-portal shows a total pendency of 3961 projects involving margin money grant to the tune of Rs. 7832.20 Lakhs forwarded during 2018-19 and 2019-20 up to 13th November 2019 pending with Banks in the State of Kerala.



खादी और ग्रामोद्योग आयोग
KHADI AND VILLAGE
INDUSTRIES COMMISSION

सूक्ष्म, लघु और मध्यम उद्यम मंत्रालय, भारत सरकार
 Ministry of Micro, Small & Medium Enterprises, Govt. of India
 वेबसाइट / Website: www.kvic.org.in
 राज्य कार्यालय (केरल) STATE OFFICE (KERALA)

No.SOK/KVIC/PMEGP Impl./2019-20

Date: 14-11-2019

Agenda note on PMEGP for the 129th meeting of SLBC

During 2019-20, the State of Kerala has been allocated with Margin Money target of Rs.5192.87 lakhs for setting up 1731 units with an aim to generate new employment of 13848 nos. The PMEGP portal shows the progress of achievement as on 13th November 2019 Rs.2438.46 which is 46.95% only. As the banking community is aware, the programme is implemented by Khadi & Village Industries Commission which is also the national nodal agency, Kerala Khadi & Village Industries Board and Dte. of Industries and Commerce through their District Industries Center's. As the Micro, Small and Medium Enterprises (MSME) sector is the most vibrant and dynamic sector promising high growth potential for the Indian economy, due importance is accorded by the Government of India. While allocating the target for 2019-20, a sub target of Margin Money grant Rs.2310.45 lakhs has been earmarked under 100 days action plan by the Ministry of MSME which came to an end on 31-10-2019. With the active support of banks in the state as well as with the regular monitoring and intervention of SLBC, the same has been achieved successfully.

While endorsing the whole hearted support extended by the banking sector of the State of Kerala for the successful implementation of PMEGP, it's a matter of concern and to report that despite of clearing the projects by the Dist.level task force committee (DLTFC) 2302 number of projects with M.M.grant involvement of Rs.5396.21 lakhs forwarded during 2019-20 are pending with various bank branches for a decision. The PMEGP e-Portal also shows a total pendency of 3961 projects involving Margin Money grant to the tune of Rs.7832.20 lakhs forwarded during 2018-19 and 2019-20 up to 13th November 2019 pending with banks in the State. This requires immediate intervention of SLBC. The matter has been brought to the knowledge in the previous SLBC also. The details of bank wise pendency position is annexed herewith as Annexure I. Further, DLTFC's are conducted in regular intervals and selected applications are transmitted to banks.

Contd.....

Further, Vide circular No.PMEGP/Policy/2019-20 Dt.09-09-2019, the Dte. of PMEGP has communicated the decision to submit ITR of one year as proof of making profit instead of previous three years for encouraging the applicants under 2nd loan option for upgradation/expansion of existing PMEGP units. Similarly, units under erstwhile REGP scheme implemented by KVIC also now eligible for upgradation/expansion under 2nd loan scheme. The expansion/upgradation scheme is available for MUDRA units also. The scheme details are available at pmegp e-portal

In the recent review conducted by the Chief Executive Officer of KVIC, highlighted the possibility of additional target for 2019-20 owing to the huge pendency of proposals with the banks. In order to enhance the working knowledge of PMEGP e portal, the State office-KVIC with the support of Lead Dist.Managers has conducted ten Bankers Sensitisation programmes in various districts. The objective of the programme is to dispel the possible technical issues in handling the portal and to accelerate the implementation of PMEGP. The feed back received from the participants is much encouraging.

The SLBC, being the apex forum, it may take the pendency position for due examination and bring the position to the notice of controlling heads of all banks so as to clear the pendency in a time bound manner, there by achieving the annual target allocated for the State.

"On line E.D.P." introduced by KVIC.

In compliance with the directions received from the Ministry of MSME, the KVIC has designed and developed a platform for on line EDP which is made go live from 22-10-2019. The purpose of introducing the on line EDP is to reduce the waiting at RSETI's /RUDSETI's to undergo training after sanction of bank loans which is found to be a major bottleneck delaying release of loan installments and preferring the Margin Money claims through the portal.. The applicants are free to attend online EDP once uploading sanction by the bank in the portal. This facility is available at www.kviconline.gov.in/pmegp. The portal can also be accessed through url:www.kvic.udyami.org.in There are eleven modules of various subjects and topics in line with the approved EDP syllabus which is also made user friendly. The portal will also provide Project reports, Industrial documentaries, expert episodes, guidance for various Govt. registration and various other informations related to first generation entrepreneurs. Upon successful completion of online EDP, a certificate and letter of appreciation specifying the grade will be generated by the portal.


Dy.Chief Executive Officer *Intduty*

Annexure - I

Bank wise pending position of PMEGP proposals forwarded during 2018-19 and 2019-20

Sl No.	Name of Bank	Pending at bank	
		No of Prj.	MM Involve (In Lakh)
1	STATE BANK OF INDIA	789	1807.26
2	CANARA BANK	616	1619.43
3	UNION BANK OF INDIA	272	604.24
4	FEDERAL BANK	258	624.3
5	SOUTH INDIAN BANK	232	597.53
6	KERALA GRAMIN BANK	202	505.8
7	SYNDICATE BANK	183	385.74
8	PUNJAB NATIONAL BANK	102	269
9	INDIAN OVERSEAS BANK	78	194.41
10	INDIAN BANK	64	156.48
11	CENTRAL BANK OF INDIA	61	125.64
12	DHANALAKSHMI BANK LTD	60	117.29
13	CATHOLIC SYRIAN BANK LTD	58	124.03
14	BANK OF INDIA	54	119.15
15	VIJAYA BANK	54	157.5
16	HDFC BANK	43	116.84
17	CORPORATION BANK	37	55.56
18	BANK OF BARODA	36	67.28
19	UCO BANK	14	33.05
20	AXIS BANK LTD	12	26.11
21	ANDHRA BANK	8	16.32
22	ICICI BANK LTD	8	22.7
23	ALLAHABAD BANK	7	17.45
24	IDBI BANK	6	14.84
25	KARNATAKA BANK LTD	6	7.39
26	IDUKKI DISTRICT COOPERATIVE ERATIVE BANK LTD	5	13.48
27	ORIENTAL BANK OF COMMERCE	5	21.97
28	KARUR VYSYA BANK	2	7.2
29	BANK OF MAHARASHTRA	1	2.36
30	KOZHICODE DISTRICT COOPERATIVE BANK LTD	1	1.6
31	ING VYSYA BANK	1	0.25
	TOTAL	3275	7832.20

[Signature]
Dy. Chief Executive Officer

Steering committee informed that the member banks to take decision on Pending PMEGP proposals and update the status in the PMEGP portal. Banks shall complete the process at the earliest.

3.2.4 Agenda Suggested by Lead District Manager – Palaghat

K Swift approval - Single window channel for MSMEs.

Government of Kerala had come up with a K Swift single window approval process for MSME initiatives, where in the MSME entrepreneur can start the unit without approval / license from local body. Currently banks having the stipulation of precondition of obtaining NOC /License from local body for sanctioning of MSME loans. The guidelines may be suitably modified across the banks in line with the Government guidelines to avoid confusion among lending agencies and line departments.

Steering committee requested to pursue the matter.

3.2.5 Agenda Suggested by Lead District Manager – Malappuram

A. Extension of the last date for the submission of application or restructuring (flood affected) from 25th November 2019

RBI vide FIDD(T) No.235/03.02.015/2019-20 dated 16.12.2019, extended the cut-off date for restructuring of loan up to December 31, 2019.



B. Ujjevana scheme to the extended to people or units affected by flood 2019.

Steering committee advised SLBC to write to Government of Kerala to extend the Ujjevana scheme to units affected by floods of 2019

3.3 Teritary Sector

3.3.1 Agenda Suggested by Corporation Bank

ऑचलिक कार्यालय
अपूर्वा चेम्बर्स
टी.सी 14/2143(2)
सण्णी मीड्स लेन
पालयम
थिरुवनन्थपुरम-695034



सार्वजनिक क्षेत्र का अग्रणी बैंक A Premier Public Sector Bank

ZONAL OFFICE
Apoorva Chambers
T.C 14/2143(2)
Sunny Meads Lane
Palayam
THIRUVANANTHAPURAM -695034

OR : 8829 : 1 : 2019

11th November, 2019

To

The General Manager
SLBC
Canara Bank
Kerala

Sub: Incident at our Kottayam Branch – Subverting of SARFAESI proceedings by Unruly Mob

Respected Madam / Sir,

On 07.11.2019, the Authorised Officer of our Bank along with the Advocate Commissioner duly appointed by the Chief Judicial Magistrate had taken physical possession of the Property mortgaged in an Home Loan NPA account. The possession was taken peacefully in the presence of the borrower.

The borrower had earlier moved the Hon'ble High Court through Writ Petition and the petition was disposed, directing the borrower to pay Rs.50,000/- on or before 12.06.2019, and then pay the balance overdues along with regular EMIs in three equal instalments commencing from 10.07.2019. The borrower failed to comply with the orders of the Court. Hence, the possession was taken. Though the account was in NPA for more than two years, no recovery action was initiated earlier keeping in mind the Floods that ravaged the state.

On-08.11.2019, at 10 am the undersigned received a call from the Branch stating that a group of 30 to 40 people entered the Branch and started creating ruckus and raised slogans against the Bank. They did not allow customers to come into the branch and did not allow the Branch to function. They demanded return of keys of the House that was taken Physical Possession. The Officer requested the protestors to calm down and allow staff to perform their duties. The Protestors pushed him down and they started abusing the staff. Immediately the undersigned left for Kottayam after instructing the officer not to open the Strong Room and to call the Police. We also advised him to try and close the branch before any damage is done by the protestors to staff and property.

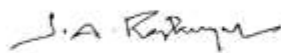
Meanwhile, all nearby BMs were alerted and asked to rush to Kottayam branch to support the staff in case of any untoward incident. The Six Police personnel led by a Sub-Inspector were spectators and did not control the crowd. The unruly crowd tore off papers and slips in the branch. The branch could not function for the whole day. The crowd kept insisting on return of the keys.

The situation was getting out of control and there was a possibility of the crowd turning violent, resulting in further damage to people and property. Finally after consulting and taking instructions from our Head Office, solely in the interest of the Safety of our employees, the House keys were handed over to the Borrower upon an Undertaking from Borrower to pay the dues with in a period of 60 days. The undertaking was witnessed by Kottayam District Congress Committee Secretary.

We request you to place the above serious issue as an Agenda in the next SLBC meeting and we also request you to take up the issue at the Highest Levels in Government of Kerala and Department of Financial Services, Ministry of Finance.

We seek your support and we strongly believe that the forum of SLBC can make a beginning to end such menace and ensure safety and security of Bank Employees and Property.

Yours faithfully,



Rajkumar. S. A
Zonal Head
Thiruvananthapuram

SLBC has submitted a representation to Chief Minister, Government of Kerala, condemning the incident and requesting the Government to take adequate steps to ensure smooth functioning of Banks.

3.3.2 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 requested SLBC to arrange a meeting of Banks and Kudumbasree to discuss the matter and formulate a model scheme.

3.3.3 Agenda by SLBC-Kerala

Several cases are filed by parties against member Banks before various judicial forums including Hon'ble High Court of Kerala by impleading SLBC as a party. On examining, it is noted that SLBC is made as Proforma Party in the court cases without any specific prayer against SLBC.

SLBC has been entering appearance before Court in all the matters and supporting the member Banks before judicial forums. Hence, in the interest of all the member Banks, we suggest the following for consideration:

1. Wherever cases are filed against member Banks arraying SLBC as party, the concerned Banks shall engage a common Advocate for themselves and SLBC. The litigation cost for SLBC shall be borne by the respective Bank/s. The SLBC shall give necessary assistance to the respective Bank/s at their request.
2. Wherever it is felt that SLBC has to be represented through an advocate independently, at the request of member Banks it can be done so. In such cases, the litigation cost incurred by SLBC shall be shared among all the member Banks.

In case multiple banks are involved, a particular Bank shall take the lead and protect the interest of SLBC

INFORMATION NOTE

Information note by RBI

Recommendations of the committee on Deepening of Digital Payments

Reserve Bank of India had constituted a committee for Deepening of Digital Payments, chaired by Shri. Nandan Nilekani and the recommendations have been submitted by the committee. One of the recommendations is as follows:

“Keeping in mind the number of new users and their diverse needs, the committee recommends that the regulator conduct focused User Awareness and Education programs in the field, to support the SLBC staff with their immediate requirements. The Financial Education Fund may be utilized for this purpose.

As per the current instructions of FIDD, CO, the banks are currently disseminating financial literacy through various channels viz. Financial Literacy Centres (FLCs), rural branches of Scheduled Commercial Banks (including RRBs, Small Finance Banks), and the recently conceived Centres for Financial Literacy (CF). Further, Regional offices conduct various

financial literacy activities under FLARE-UP etc. However, keeping in view the importance of ground level feedback from the participants and grass-root functionaries involved in delivering financial literacy messages, SLBC forum may be used appropriately to elicit feedback from SLBC staff and other stakeholders on their requirement of content and pedagogy for the conduct of financial literacy camps specific to their need and requirements.”

In view of the above recommendation, stakeholders are requested to provide feedback on the requirement of content and pedagogy for conduct of FL camps.

Proposal for setting up of paper bag manufacturing units

Government of Kerala vide GO(F) No.6/2019/Env. dated November 27, 2019, banned usage of single use plastic products from January 01, 2020. Individuals, Companies, entities, industries/ trade/ business establishments, etc. are not permitted to manufacture, transport, store, sell single use plastic items.

In this connection, a meeting with officials and Kudumbashree and bank was held, to discuss regarding the feasibility of setting up a paper bag manufacturing unit by the Kudumbashree groups, with the raw material as briquettes (shredded bank notes). During the meeting, Kudumbashree officials made a presentation on the working of the semi-automated plant and fully automated plant for manufacturing of paper sheets out of shredded papers, along with the business plan. It was informed that Thiruvananthapuram District Panchayat has agreed for providing land and capital investment for a semi-automated plant having capacity to process 60 kg/ day. Based on the project reports presented, Kudumbashree officials predicted low viability for the semi-automated plant compared to fully automated plant which has a capacity to process about 400kg/ day.

Requirements sought by the Kudumbashree officials during the meeting were capital subsidy scheme, GO for assured procurements, ease of getting licences and assured procurement by banks



GOVERNMENT OF KERALA

Abstract

Norka Department – Norka Department Project for Return Emigrants (NDPREM) – Reduction of lock in period for capital subsidy from 4 years to 3 years - Orders issued.

NORKA (A) DEPARTMENT

G.O.(Rt)No.734/2019/NORKA Dated,Thiruvananthapuram, 18/11/2019

- Read:- 1. G.O (Rt) No. 490/2014/NORKA dated 14.10.2014.
2. Letter No. 260/D/2019/Roots dated 08.04.2019 from the Chief Executive Officer, Norka Roots.
3. Minutes of the 127th meeting of SLBC, Kerala.

ORDER

Consequent upon the Global recession and the imposition of strict Nationalization Policies in Gulf countries, a large number of Non-Resident Keralites were forced to return to their homeland without much saving or an effective means of livelihood. Realizing the grave situation and its possible adverse impact on the Kerala Economy, Government of Kerala conceptualized a project for rehabilitation of these returnee migrants, entitled as "Norka Department Project for Return Emigrants (NDPREM)" in the Financial Year 2013-14. The scheme is intended to reintegrate the returnee emigrants by helping them to find suitable employment or self employment. Under this scheme, a capital subsidy of 15% and an interest subvention of 3% for 4 years is provided to eligible entrepreneurs among returnee migrants who wish to start their own ventures in the field of agri-business, trading services, manufacturing etc. At present, the beneficiaries of the Scheme are those Non-Resident Keralites (NRKs) who have returned permanently to household after living abroad for at least 2 years or the company/society/partnership held by return emigrants themselves.

2. The guidelines for the implementation of the scheme was issued as per the Government Order read above. The Chief Executive Officer, Norka Roots has opined that the guidelines may be revised incorporating specific conditions for subsidy adjustment in cases of genuine business failures. He has proposed that the lock-in period may be reduced to 3 years since one of the conditions stipulated for subsidy adjustment itself is that the unit should remain in operation for a period of 3 years from the date of sanctioning the capital subsidy.

3. The matter was discussed in the 127th meeting of State Level Bankers' Committee (SLBC), and the SLBC has requested Government for modifying the condition in the scheme so as to enable the banks to adjust the subsidy towards the loan account after a period of 3 years irrespective of the asset quality of the loan account.

4. Government have examined the matter in detail and are pleased to modify the condition in the NDPREM Scheme, so as to enable the banks to adjust the subsidy towards the loan account after a period of 3 years, instead of the existing lock-in period of 4 years, irrespective of the asset quality of the loan account.

(By order of the Governor)
JANARDHANAN K
JOINT SECRETARY



കേരള സർക്കാർ

നം:എ3/263/2017-റവ.

റവന്യൂ (എ) വകുപ്പ്,
തിരുവനന്തപുരം,
തീയതി: 03/10/2019.

സർക്കുലർ

വിഷയം :- പട്ടയഭൂമി ഈട് വച്ച് എല്ലാതരം വായ്പകളും അനുവദിക്കുന്നതിനുള്ള നടപടി സ്വീകരിക്കുന്നത് - സംബന്ധിച്ച്.

സൂചന : 1. 17.8.2017 ലെ ജി.ഒ (പി) നം.60/2017/റവ ഉത്തരവ്
2. വൈപ്പിനിലെ പ്രദേശവാസികളുടെ അപേക്ഷ
3. ലാൻ്റ് റവന്യൂ കമ്മീഷണറുടെ 5.2.19 ലെ എൽ.ആർ.ജെ 7/59920/17 നമ്പർ കത്ത്

1964 ലെ ഭൂമി പതിവ് ചട്ടങ്ങളിലെ 8-ാം ചട്ടത്തിൽ സൂചന (1) പ്രകാരം വരുത്തിയ ഭേദഗതി അനുസരിച്ച് കൈവശ ഭൂമി ഈട് പട്ടയം അനുവദിക്കുമ്പോൾ പ്രസ്തുത ഭൂമി ബാങ്കുകളിലും വിവിധ ധനകാര്യ സ്ഥാപനങ്ങളിലും ഈട് വച്ച് എല്ലാതരം വായ്പകളും എടുക്കുന്നതിനുള്ള തരത്തിൽ വ്യവസ്ഥ ഉൾപ്പെടുത്തിയിട്ടുള്ളതുമാണ്. ആയതിനാൽ കൈവശത്തിലുള്ള ഭൂമി പതിച്ചു നൽകുന്ന സംഗതിയിൽ വിവിധ ധനകാര്യ സ്ഥാപനങ്ങൾ ഉൾപ്പെടെയുള്ള എത് സ്ഥാപനങ്ങളിലും ബാങ്കുകളിലും ഏത് തരം വായ്പ എടുക്കുന്നതിനും പ്രസ്തുത ഭൂമി ഈട് വയ്ക്കുന്നതിന് തടസ്സമില്ലാത്തതാണ്. പ്രസ്തുത ഭൂമി എപ്പോൾ വേണമെങ്കിലും കൈമാറ്റം ചെയ്യാനും കഴിയുന്നതാണ്. അതുപോലെ കൈവശമില്ലാത്ത ഭൂമി പതിച്ചു ലഭിക്കുന്ന സംഗതിയിൽ അപ്രകാരം ലഭിക്കുന്ന ഭൂമി 12 വർഷ കാലാവധി കഴിഞ്ഞാൽ കൈമാറ്റം ചെയ്യാവുന്നതാണെന്നും പ്രസ്തുത ഭൂമി സർക്കാർ ബാങ്കുകളിലും വിവിധ ധനകാര്യ സ്ഥാപനങ്ങളിലും ഭവന നിർമ്മാണത്തിനായും കൃഷിക്കും ലാൻ്റ് ഇംപ്രൂവ്മെൻ്റ് ആവശ്യങ്ങൾക്കും ലോൺ എടുക്കുന്നതിനായി ഈട് വയ്ക്കാവുന്നതാണെന്നും ഉള്ള വ്യവസ്ഥ ഉൾപ്പെടുത്തുകയും ചെയ്തിട്ടുള്ളതാണ്. ആയതിനാൽ മേൽ ഭേദഗതി പ്രകാരം പട്ടയ ഭൂമി ഈട് വച്ച് വായ്പകൾ അനുവദിക്കുന്നതിനുള്ള നടപടി ധനകാര്യ സ്ഥാപനങ്ങൾക്ക് സ്വീകരിക്കാവുന്നതാണ്.

ടെസ്റ്റി.പി.ജോസ്
അഡീഷണൽ സെക്രട്ടറി

ലാൻ്റ് റവന്യൂ കമ്മീഷണർ, തിരുവനന്തപുരം
എല്ലാ ജില്ലാ കളക്ടർമാർക്കും

റവന്യൂ (ഗ്രൂപ്പ്/വെർച്വൽ) വിഭാഗത്തിന്

കൃഷി വകുപ്പ് (റബ്ബർ ബോർഡ്, ടീ ബോർഡ്)

✓ സംസ്ഥാനതല ബാങ്കേജ് കമ്മിറ്റി, തിരുവനന്തപുരം

23 OCT 2019