

State Level Bankers' Committee (SLBC), Kerala
STATE LEVEL REVIEW MEETING (SLRM) 2017
Minutes of the Meeting held on
21st June, 2017 at Canara Bank, Circle Office, Trivandrum &
23rd June, 2017 at Hotel Residency Tower, Trivandrum

DELIBERATIONS ON 21st JUNE, 2017

OPENING SESSION OF SLRM 2017

The meeting commenced at 10 a.m. with **Sri. Nair Ajit Krishnan**, Deputy General Manager, Canara Bank in the Chair.

Sri. V. S. Santosh, Divisional Manager, Canara Bank welcomed the participants of the Opening Session of the two-day Review Meeting.

Sri. Nair Ajit Krishnan, Deputy General Manager, Canara Bank, in his presidential address informed that the two days' State Level Review Meeting of SLBC Kerala that was beginning this day was of utmost importance. As usual, three groups have been formed on Primary, Secondary and Tertiary sector. They would be dealing in depth the review of performances under the respective sectors. They also would discuss all the new as well as pending issues confronting the development of banking sector of the State and consider alternative solutions to them. Through the interactions it is intended to bring a balanced approach on development and evolve a consensus for coordinated action by the member institutions. He then broadly outlined the matters that needed to be deliberated upon.

- This year, we expect a normal Monsoon and an overall prosperity. Deliberations of the meeting should give importance for improving investment credit in the state.
- The growth rates of Deposits, Advances & Priority sector in the State during the last Quarter was 2 %, 2 % & 3% respectively.
- The growth rates of Deposits, Advances & Priority sector in the State during the last financial year was 14 %, 10 % & 7% respectively.
- It is concerning to note that the CD ratio of the State had fallen from 64% as at March 2016 to 62 % as at March 2017.
- At the national front, the new schemes introduced by the Government are being implemented by banks in full earnest. The flag ship housing scheme has come up with a MIG version also. The PMAY (Grameen) is the new housing scheme for rural areas.
- We have to devise ways to implement these schemes successfully. Today's deliberations should give working suggestions on the same.
- From the State Government side, we are in the process of implementing the Education Loan Repayment Support scheme. The operational guidelines are awaited. The scheme is placed for discussions. He requested to deliberate on the working strategies.
- Pradhan Mantri Fasal Beema Yojana was launched in RABI season of 2016-17. We could enrol only 18000 farmers against the 22 lakhs registered farmers in the state.

- We expect the committee on Primary sector to discuss on ways to increase coverage of PMFBY.
- Most important of all is the NPA problem. As we aware, many banks have recorded losses in the previous fiscal due to provisions made on NPA. The percentage change in Total NPA as compared to March 2016 is 32%.
- Kerala is a state where the Revenue Recovery system works well. The new RR package has been operationalised. Any issues faced/ suggestions by members may be highlighted.
- The subgroups should deliberate on how to make effective use of the Revenue Recovery system and Lok Adalats for loan recovery.
- We ought to have an agenda on banking issues faced by the plantation sector; the forum will also have a discussion on the same.

Concluding his address, Sri. Nair Ajit Krishnan once again welcomed all to this opening session of the SLRM 2017. He solicited continued co-operation, support and involvement in the smooth conduct of the meeting and for meaningful deliberations.

Smt. Uma Sankar, General Manager, Reserve Bank of India, in her address highlighted the following points.

- The State Level Review Meeting of SLBC reviews the performance of various sectors during the Financial Year 2016-2017, wherein our economy had witnessed revolutionary changes as a result of demonetisation.
- The CSO's latest releases on national income accounts and industrial production attest to the effects of demonetisation on the broader economy being sector specific and transient. The current state of the economy underscores the need to revive private investment, restore banking sector health and remove infrastructural bottlenecks. The Reserve Bank will continue to work in partnership with the Government to address the stress in banks' balance sheets. Better alignment of administered interest rates on small savings with market rates and stepped-up recapitalisation of banks to facilitate adequate flow of credit to productive sectors are important steps to follow through. The business environment is expected to improve with structural reforms, including the GST and the Insolvency and Bankruptcy Code.
- In the State, we are witnessing developments in the business climate. Recently Kerala Government had come out with the Draft Industrial Policy, aimed at simplifying regulatory procedures for setting up and operating enterprises.
- RBI gives significant thrust to all the sectors of the economy viz. Primary, Secondary and Tertiary Sectors through our Priority Sector Lending Norms. She expressed happiness that working groups had been constituted under the aegis of SLRM to discuss the state specific issues that needs concerted effort from all the stakeholders. One of the important issues is the declining CD ratio of the State which had fallen from 64% as at March 2016 to 62% as at March 2017. The state has immense potential for credit absorption. Banking fraternity should take efforts to identify viable projects to lend to and thereby enhance the CD Ratio of the State.

- In this context, one of the concerns that we are facing is the demand for loan waiver from various sections of the society ranging from students to farmers. RBI is not in favour of loan waivers as it impacts credit discipline and vitiates credit culture. She was sure that, banking friends would also agree with her. To drive home the need for instilling credit discipline, we had as part of our Financial Literacy Week celebration that lasted from June 5 to 9, 2017, created awareness about timely repayment of bank loans.
- She expected that the groups on Primary Sector, Secondary Sector and Tertiary Sector will come out with tangible solutions for addressing those issues.
- She then flagged some of the contemporary issues on each of these sectors. The primary sector will need to specifically focus on doubling farmer's income by 2022. In secondary sector a conducive environment has to be created for entrepreneurship to thrive. The MSMEs need to be promoted and nurtured. In times of stress, banks need to ensure that our guidelines on 'Framework for Revival and Rehabilitation of MSMEs' have to be implemented in letter and spirit. The tertiary sector needs to focus on the rising demand for Housing and Education Loans in the country and the burden of rising NPA in education loans.

Concluding her address, she brought to the notice of all the participants that this was an effective forum for ensuring coordination with the State Government machinery for the balanced and holistic development of the State. She requested all the stakeholders to actively participate in the deliberations and come out with effective solutions.

Speaking on the occasion, **Smt. Krishna Sandhya**, Assistant General Manager, NABARD explained in detail the agenda items of NABARD which was incorporated in the booklet as item No.2.5.1 to 2.5.6.

Sri. G. Nandakumar, Senior Manager, Canara Bank then briefed the forum regarding the Group Discussion session – members of groups, the objectives, role play, report preparation, presentation and the expectations from the groups.

GROUP DISCUSSION SESSION

The forum was then segregated to 3 groups for discussions on issues related to Primary, Secondary and Tertiary Sector. The session commenced at 11 a.m and extended up to 4.30 pm. The reports of the groups were prepared and presented in the plenary session on 23rd June, 2017.

DELIBERATIONS ON 23rd JUNE, 2017

PLENARY SESSION

The plenary session of the State Level Review Meeting of SLBC Kerala commenced at 10 a.m. with **Smt. P. V. Bharathi**, Executive Director, Canara Bank & **Smt. Nalini Netto, IAS**, Chief Secretary, Government of Kerala in the chair.

Sri. N. Sivasankaran, Convenor SLBC Kerala & General Manager, Canara Bank, welcomed all the dignitaries and the members to the Plenary Session of the SLRM 2017.

He then stated the following.

- The State Level Bankers' Committee is a forum for convergence and co-ordination wherein the Government and Banks are the main stakeholders. SLBC Kerala has always taken proactive steps to take the state of Kerala to the forefront in many vital banking parameters.
- The annual review meeting of SLBC is held in two sessions extending to two days. The review and discussion session was held on 21st June, 2017, wherein the delegates from all the member offices of the SLBC participated.
- They formed into three groups. One for Primary Sector, second for the Secondary Sector, the Third for Tertiary sector and residual subjects.
- They reviewed the banking performance in the previous year. They also discussed in length the issues placed as agenda before SLBC.
- Based on the review and discussion, each group has drafted its recommendations. The team leaders of each group will be placing their recommendations in the form of presentations for further discussion in this august forum. In the course of the deliberations, we shall discuss them in detail.
- Regarding the performance of the year ended 2016-17, the presentations that are going to be made by the groups will be covering in length.

On the business front he touched upon the following aspects.

- CD Ratio has fallen to 62%. There was subdued lending during the currency de-notification period. Though in the 4th quarter, momentum picked up, it has taken time to regain the old levels, we expect that this year banks will recapture the lost pace.
- Similar is the case with ACP. In the financial year 2015-16, we had an ACP performance of 103%. But in 2016-17, we could achieve only 81% ACP target. We could do the proper lending activity for 9 months in the fiscal. The quantum disbursement was Rs.201 crores less than the previous year.
- Regarding NRI deposits, we see a fall in growth rate from 24% previous year, to 12% this year, while the growth rate of Domestic deposits have gone up.
- Rise in growth in domestic deposits was a result of demonetization. But the fall in the NRI growth rate needs to be analyzed. In absolute terms of course, the NRI deposits have increased.
- NPA is a real concern. Overall NPA is 4%.
- In Education loans it is 13 %. A disturbing feedback from the field is that the Repayment in the portfolio has virtually stopped.

- The first GO on the Repayment support scheme issued by the Government on 2017 May 05th. We have circulated it to all banks. We are informed that the Government is creating a web portal for receiving and processing applications and the entire process of applying till settlement of claims will be through the portal only.
- For the ground level implementation of the scheme the following processes need to be completed.
- The Boards of Individual banks need to give their approval for the scheme. This is a must as there substantial amount of sacrifice need to be made by the banks, in each account.
- The Portal is to be ready and NIC is working on it
- Operational guidelines have to be issued by the Government. We understand that once the portal is ready, the guidelines also will come
- These processes are under progress and are expected to be put in place soon. So there need not be any panic for the eligible borrowers.
- In MSME NPA is 7%. In connection with this, he mentioned about the new Framework for Revival and Rehabilitation of MSMEs, put in place by RBI. Till now, revival/rehabilitation measures commenced when a unit became sick (that is 3 months after NPA)
- The concept of the new frame work is that treatment should start when the signs of sickness start appearing. Not after the patient gets bedridden.
- Under the frameworks, when an account shows overdoes from 60-90 days it is a sign of sickness. These accounts (SMA 02 category) also should get special attention for revival/rehabilitation. From the statistical reports we received from the banks, we understand that in many banks, the reporting officials have not understood the concept and therefore correct figures are not reported.

He then briefly referred to the two new initiatives from the Government side on ease of doing business.

- One was the new industrial policy that the Government of Kerala intended going to bring. Its draft is now available in the website of KBIP. Forums like ours can give our suggestions.
- In this policy, one innovative scheme that the Government is introducing is the Domestic Nano enterprises (Garhika Nano enterprises). The most attractive benefit they are offered is the exemption from Local Body License)
- The second initiative is from Government of India – The GST. It will create a unified common national market. Taxation will shift from point of origin to point of supply. With GST, the revenue of Kerala Government is expected rise, because
 - Services sector is our Strength and Tax net for services has widened.
 - IGST (For Interstate Commerce) is tilted favourably towards consumer states.
 - It will also increase transparency and tax compliance in business.
- Of late, we are getting reports from various districts that many agencies are calling meetings of banks to review lending performance and to conduct Loan melas, adalats etc. He informed that banks need not participate in meeting called by people without the authority to conduct such meetings.

While concluding his address, Sri. Sivasankaran once again welcomed all the dignitaries and honourable members for the meeting.

Smt. P. V. Bharathi, Executive Director, Canara Bank in her presidential address stated that the much awaited monsoon has already set in, the Malabar coast is the gateway of monsoon in India, and the Rain God extends his arms to the rest of India only after embracing the western coastal line, aptly referred to as the “Gods own Country”. With it, the monsoon brings in, hope and prosperity to the Nation. On behalf of SLBC Kerala, she extended a warm welcome to all, to the State Level Review Meeting, which she referred to as the Monsoon Session.

She observed that the last year has not been encouraging for bankers. The banking sector is experiencing rough weather with many banks reporting substantial decline in profits and some banks have even reported losses.

While we have done fairly well under financial inclusion initiatives, the performance under key business parameters needs to be critically analysed and corrective steps to be initiated. The overall outlook for the economy remains positive with many measures proposed in the recent budget announcements that include Macroeconomic stability, boosting of demand, economic reforms etc. IMF has hailed India as a ‘bright spot’ amidst a slowing global economy. With the able support of all stake holders, the initiative can bolster the state in to a booming economy.

During the past 3 years, the country witnessed various initiatives, channelized through the banking sector, like Financial Inclusion, rapid expansion of banking services to the unbanked areas and population, Social Security Schemes etc. The ultimate success of these initiatives calls for serious efforts from all the stakeholders, in the process of implementation.

This SLBC has always been an effective forum that has ensured the integration of efforts of the banking sector, various Government and Non Government institutions in the state, to facilitate overall socio-economic development of the state. She placed SLBC Kerala as one of the most vibrant and proactive SLBCs in the country.

Coming to the performance of the banking industry in the state, she briefly highlighted the performance of banks, as at March 2017.

- During the last one year, the Branch network in the state improved to 6332 with the addition of 146 branches, compared to the addition of 202 branches during the corresponding previous year.
- Banks have added 216 ATMs to take the tally to 9182 ATMs. Besides, the banks have established Bank Mitra channels in the form of Akshaya Centres and BCAs in 4368 SSAs.
- In terms of RBIs directions, all villages with population of over 5000 are to be covered with bank branches. She urged upon SBI to open the remaining one branch before 30.06.2017, so as to declare 100% coverage, another first for the state.
- Total business of commercial banks in the state, touched Rs. 6.67 lac crores, with Rs. 4.10 lac crores of deposits and Rs. 2.56 lac crores of advances.
- NRE deposits constitute 37.11% of total deposits, due attention is to be paid to mobilize deposits from domestic sources.
- Deposits have registered a growth rate of 14% where as the advances have grown by 10% only.

- The performance of Banks under priority, agriculture and weaker sections, is well above the mandatory levels of 40%, 18% & 10% of Gross credit, with outstanding levels of 55%, 24% and 25% respectively.
- The priority sector advances have grown by 7% to Rs 1.42 lac crores and agriculture sector has shown a growth of 12%, with the outstanding agriculture of Rs. 61457 crores.
- The achievement under Annual Credit Plan (ACP) is not encouraging. Banks have achieved the target under Primary sector.
- All the banks together have disbursed Rs 4501 crores under MUDRA loans during the last Financial Year.
- All the banks together have mobilised close to over 35 lac enrolments under the three Social Security Schemes.

The banks in the State have performed well under many of the parameters. But, there are a few concern areas requiring immediate attention of all, like increasing NPAs.

She informed that fall in CD ratio has been one such area of concern. Kerala continues to be the hub of Non-resident deposits and phenomenal increase in NRI deposits coupled with tardy growth of advances, have brought down our CD ratio to 62% as at March 2017, from 64% as at March 2016. Deposits & NR deposits have witnessed growth rate of 14% & 12% respectively. Though growth in deposits is a welcome trend, the growth rate of advances has not kept pace with the deposits. The CD ratio is very low compared to other southern states like, Tamil Nadu, Andhra Pradesh and Telangana.

She urged upon banker friends to take a serious note of this declining trend. She requested banks to explore newer areas of lending, look for opportunities for credit expansion and extend finance to all bankable ventures. She observed that the MSME advances growth rate is flat, which indicate that the potential in these areas is yet to be harnessed. The Government of India has given a call to ensure doubling of farmers' income by 2022. Bankers can play an active role in extending investment credit in agriculture, which would go a long way in boosting productivity and income per unit of land. Agro processing and small and medium industries, loans under Stand up India and MUDRA loan schemes offer an excellent scope for credit expansion and augment credit growth, thereby attaining a desirable CD ratio.

Referring Financial Inclusion, she said that a lot of responsibility now rests on the bankers in reaching out to the customers through various means of financial inclusion programmes.

Aadhaar seeding of all operative individual accounts and all PMJDY Beneficiaries is to be done on a war footing, to ensure 100% seeding by 30.06.2017. Kerala has the highest level of Aadhaar Enrolment and hence Aadhaar Seeding of bank accounts should be relatively easier, compared to other states.

Considerable reduction has been seen in the number of zero balance accounts which would go a long way in ensuring inclusive growth. The RuPay cards issued to the beneficiaries need to be activated, so that e-transactions increase substantially.

Financial Inclusion initiatives in the form of Pradhan Mantri Jan-Dhan Yojana, along with all its offshoots like, Social Security Schemes, Mudra Yojana, have achieved considerable success, in taking banking to the doorsteps of the poor. However, as bankers, we have a significant role in ensuring that these benefits are availed by the intended beneficiaries. We need to promote collateral free loans like PMJDY Overdrafts, MUDRA Loans with CGTMSE coverage and Education loans, to prevent people from approaching money lenders for their credit needs.

MUDRA scheme, Standup India and Start up India schemes are aimed at “funding the unfunded”. Micro enterprises that are deprived of finance, can well be brought under the ambit of formal institutional finance.

The state has the unique distinction of having established FLCs in all the 152 blocks. The ultimate success of all the Financial Inclusion initiatives will depend largely on the success of creation of awareness amongst the needy and in creating a demand pull. Banks have a greater responsibility of making these FLCs fully functional in achieving the ultimate goal. She urged upon bankers to make use of these FLCs.

She expressed happiness that the Banking sector in the state has displayed vibrancy in all the endeavors of the State Govt. Central Govt. and RBI. She congratulated all fellow bankers for their significant contribution in improving the economy of the state, and for partnering the process of growth and development, more so with special reference to taking banking to the doorsteps of the financially excluded segment.

Before concluding, Smt. Bharathi urged upon all the stakeholders to concentrate on certain priorities.

1. Opening of branch in the remaining 1 unbanked village.
2. 100% Aadhaar seeding in all operative accounts.
3. Imparting Financial Literacy is a key factor for the PMJDY initiatives to be successful. Hence strengthen the FLCs to make them more efficient.
4. Clearing the backlog of issuing and activation of RuPay Cards for all those who have already opened accounts, and also on a day to day basis for the new accounts being opened.
5. Banks to focus on achieving the set targets under Annual Credit Plan.
6. The pending applications under the State and Central Government schemes are to be sanctioned and the targets to be achieved before the year end.

Finally, on behalf of the convenor Bank, she extended thanks to the Central and the State Governments and various developmental agencies, RBI and NABARD for the excellent support and co-operation rendered to the banking sector in the State over the years. She reassured the State Government on behalf of all the member banks that we would together strive for the Socio economic development of the state.

It was gratifying to note that the State Government has been extending all possible support to the banking fraternity. A cordial and mutually supporting relationship continues to exist between Banks and the Government in Kerala. On behalf of all the bankers, she extended thanks to the Hon’ble Chief Minister and his entire team for the support being extended.

Smt. Bharathi once again welcomed all the members and invitees, and requested active participation in the deliberations to make this SLRM, successful and purposeful.

Smt. Nalini Netto, IAS, Chief Secretary, Government of Kerala in her inaugural address expressed great pleasure in participating in the meeting.

- She was pleased to see the synergy between the activities of the banking sector and various departments of the State Government. As rightly pointed out by ED, Canara Bank, the slogan should be together we grow. She mentioned that each State has got its own peculiarities. Kerala always stood distinct from the rest of India and even from the south Indian States. Kerala looks different and its sectors are also quite different.
- Even if we look at the 3 key sectors, Primary, Secondary and, Kerala has always been a consumer State bringing things from outside for its own consumption. Even prior to the formation of the State, the earlier Travancore was an importer of rice. The major crops in Kerala are not the traditional crops that we find in the rest of states or even in the southern region. We have basically the plantation crops.
- Second is Industry Sector. The type of industry that we find in Kerala is not an industry that compares with the industry in the sense of the term. In fact we would be happier with sectors, Industries in the service sector i.e soft industries like Tourism, Bio-technology and those based on human resource and technology rather than on the industries that are heavily based on raw materials, big structures and high levels of production. This is the typical feature of our State because of its adverse land man ratio. To begin with, carrying 1% of the country's area bearing 3 % of the country's population is extremely fragile nature in terms of ecology, making it extremely sensitive. Whenever you try to launch huge projects that requires a lot of land, lot of raw materials, transportation fixing them in, planting them in various parts of the States itself make a heavy burden in terms of negotiations, problems as you could see from various issues that are taking place in the State.
- Services sector in the State are having plus points .In the whole country , the top sector Is agriculture , then manufacturing and then services In fact Kerala, t we are actually migrated from the agriculture sector to the services sector. The service sector has been growing quite phenomenal in the State. This is the area which we need to probably tap because Kerala's largest resource even today is human resource. We have a problem that we are not channelizing the youth into employable areas with opportunities as soon as they complete their plus II. She pointed out the Repayment Support Scheme for Education Loan, which has been recently launched by Government of Kerala also needs to be put on its role.
- We are also been hearing that number of branches and ATMs have increased. But somehow there is some element that is missing. The customer/client bank relationship has fallen. Each bank knew who the clients. Actually the relationship was very similar to the local postman coming to deliver the materials to house. You get into the nearest bank and bankers and officers working in the bank knew who these customers are. Today that relationship has been lost.
- We get into a new era of defining Poverty and social exclusion and we feel that being included as probably as important as lifting out of poverty. Being socially and financially included is more important than the status in which you live. Even in old age, people get cut off, not because of being poor, but because connectivity with the system is lost. So while we get digitized, the link between the customer and the bank also becomes important in today's world. Being more machine dependent should not take away the human element in the banking process. She opined that this human element would go a long way in building bridges and helps to find where the necessities are and even in boosting up CD Ratio of banks.

- Referring various issues which are pending in the State, have already been narrated in the booklet, she assured that the Govt. would look into each of it and ensure that Government's relationship with banking sector would remain as friendly or more friendly than before in the days to come.
- Government is always having nice relationship with the banks and RBI. Various banks are coming forward to help the State in its social inclusive projects. She pointed that, the new Government which has come into last year, has launched 4 missions, where the role of the banking sector can be really phenomenal and a "Niche" for the banking sector can be defined. We have a project called Life to give houses to the houseless. We also look into the schemes like Haritha Keralam where banks and the Government can identify areas of cooperation because the Haritha Keralam basically looks into the areas where sector like the water resources, waste management and green Kerala concept, are deeply ingrained. These sectors would enable a higher participatory role for the bankers and Government. She ensured the forum that she would she would conduct meeting and dialogue with Government officers so that this relationship would grow from strength to strength.

Sri. V. S. Senthil IAS, Additional Chief Secretary (Planning), Government of Kerala in his address touched upon the following points.

- Last year Indian Economy was facing headwinds as it is clear from the initial briefing given by Convenor, SLBC. We had about 125 basis point slow down in the growth rate and that reflected in the entire spectrum across including the banking sector. After a very long time, our investment to GDP has also fallen to below 28 %. And banks balance sheets are been stressed. As we are all know that the overall NPA in the banking sector today is really giving a all out call for early intervention. That stream has also been reflected in the State, we have seen that in priority sector the overall lending has come down by 10% compared to last year. While the performance under primary sector shown almost 100%. The secondary sector had a drop by 20% compared to the last year. Except this Education Loan, others do not give that much of cause of concern in terms of NPA because there one is about 2 %, 4% and 7 %.
- Referring to CD Ratio, he expressed the concern that, 3 districts viz. Pathanamthitta, Thrissur and Kannur had CD ratio below 60%. We need to really find why the CD Ratio is actually falling. Probably Domestic Deposits are grown up last year and NR Deposits are grown, but still we need to really work out that anything below 90% should be unacceptable to both the banking community and State Government in terms of the CD Ratio because we look at the neighbours and we will have to have a clear vision and strategic plan to roll out, we will have to jointly work and see how we could actually get these things done.
- Economic growth has fallen below 7%. It is time that we are able to make use of our young population that we have. Despite, economy actually slowing down, the investments are not coming in. Particularly in the secondary sector and MSME we need to really boost our lending programme. One thing which is now visible from Education lending graph is almost flattened. Outstanding is flattened for the last 3 years. So there is no now jump and we need only to see that how we are able to clean up these NPAs and then put this on track. As you all know that in Kerala one of the key drivers for growth is need for actually infrastructure investment. While the Government has been attempting in terms of infrastructure investment

through this KIIFBI and others. But we need to really look at some other options in terms of getting more investment and different financing options. Government is considering in terms of looking at different financing options. That is the only way in which you can actually get this investment in Kerala and that would have spinoff effect approx both in terms of growth rate as well as in terms of this activities all around and that could actually boost the lending under the banking activity.

- This year, we should be able to leave the past behind and look forward to a better banking season post monsoon. It should give as a confidence to be more bullish about the current year and once we are able to get through as at the end of the year, the NPAs should normally come down. After all NPA is basically only a ratio indicator, that if you have to push this indicator down, then will have to grow at the bottom.
- Everyone in the banking community as well as the Government will have to work together with a very clear credit plan and make sure that we not only achieve the credit plan for current year, but over achieve it to make up for the shortfall we have done and left behind last year.

Sri. S. M. N. Swamy, Regional Director, Reserve Bank of India, in his address expressed pleasure in attending the plenary session of State Level Review Meeting (SLRM) of State Level Bankers' Committee, Kerala. The working groups on Primary, Secondary and Tertiary sector under SLRM had deliberated on sector specific issues and were expected to come up with tangible solutions. He then highlighted some of the developments in the banking sector and Indian economy since last SLBC meeting held in March 2017.

- In its second bi-monthly monetary policy statement for 2017-18, on June 6, 2017 the Reserve Bank of India kept repo rate and reverse repo rates unchanged at 6.25 % and 6% respectively. The decision of the MPC is consistent with a neutral stance of monetary policy in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4 per cent within a band of plus or minus 2 %, while supporting growth.
- In the latest policy statement, it is noted that global economic activity has expanded at a modest pace, supported by firming growth in major advanced economies (AEs) and in some emerging market economies (EMEs) as well.
- It is expected that the continuing demonetization should enable a pick-up in discretionary consumer spending, especially in cash-intensive segments of the economy. Furthermore, the reductions in banks' lending rates post-demonetization should support both consumption and investment demand of households and stress-free corporate. Government spending continues to be robust along with the business environment improvements with structural reforms, including the GST, and the Insolvency and Bankruptcy Code.
- The current state of the economy underscores the need to revive private investment, restore banking sector's health and remove infrastructural bottlenecks.
- The RBI has tightened the Prompt Corrective Action (PCA) rules in April 2017, requiring regulatory action on lenders if they fall short of capital or exceed bad loan limits. According to PCA framework, banks are assessed on three grounds – asset quality, profitability and capital ratios. The revision in prompt corrective action (PCA) rules comes at a time when several banks have reported a surge in stressed assets after the RBI's asset quality review. Banks are also strapped for capital as they need more funds to provision against bad loans. The PCA rules will provide a template using which weak banks can slowly strengthen their balance sheets and their operations.

- The Reserve Bank of India vide its new guidelines in May 2017, liberalized the branch authorization policy and also widened the role of bank boards, making them responsible for complying with the new guidelines. The restriction on tier-I branches has been removed, which was earlier linked to the number of branches opened in the unbanked areas. RBI has also changed the definition of what constitutes a branch. As against the earlier definition of considering all the outlets including extension counters and ATMs as a 'branch', the new provisions have changed the nomenclature to calling it as a 'banking outlet'. The central bank has however put certain conditions for opening such branches. The banks have to open 25% of their branches in a financial year in unbanked tier-5 and tier-6 centers as earlier.
- State Bank of Travancore along with State Bank of Bikaner and Jaipur (SBBJ), State Bank of Hyderabad (SBH), State Bank of Mysore (SBM), State Bank of Patiala (SBP) besides Bharatiya Mahila Bank (BMB), merged with SBI during the last quarter. With the merger, SBI is now one among the top ranking 50 banks in the world in terms of assets.
- As part of its efforts to improve financial inclusion and emphasize the importance of financial literacy, RBI observed the week June 5-9, 2017 as Financial Literacy Week across the country. The inauguration of the FL week in Kerala was done in Kerala in the presence of top bankers of the state and media. The literacy week focused on four broad themes, viz. KYC, Exercising Credit Discipline, Grievance Redressal and Going Digital (UPI and *99#) based on which five messages were communicated to the common man in English, Hindi and local languages through posters, flyers, ATM screens, websites, FL camps conducted by FL counsellors and rural branches, hosting online quiz etc. The momentum shall be continued in the following days. Guidelines are already communicated to the banks in this regard.
- RBI is also putting in place a structured training program for the FLC Counsellors and rural branch managers on the core competencies of financial literacy. RBI is also coming up with target specific financial literacy content for different target groups like Farmers, Small entrepreneurs, School children, SHGs and senior citizens.
- He reemphasized at this point that Financial Inclusion, Financial Literacy and Consumer Protection are three important pillars in the Reserve Bank of India's developmental role. He sought the whole hearted co-operation from the banking fraternity for the fruitful accomplishment of this vision.

With these words, Sri. Swamy requested all the stakeholders to actively participate in the deliberations and extended wish the State Level Review Meeting all success.

Sri. Ashok Kumar Singh IAS, Director (FI), Ministry of Finance in his address pointed out the following.

- One of the major things that happened in the past two weeks was that the Department of Revenue, Government of India has made Aadhaar validation compulsory for all the bank account. It is going to have very far reaching effects in terms of DBT, in terms of various payment systems coming up, in terms of transparency and others. Many of the States are moving with DBT and do so; they have enacted their own Aadhaar Act. Maharashtra, Gujarat and many other States, so if Kerala also has to join this DBT probably we need a state Act to enable the same. We also talk about the banking correspondent. Still we all feel that technology is not going to help too

much beyond the point and it is basically the personal relationship which moves banking also. In Kerala, we chose the CSC model CSP points as a banking correspondent, but they have different business model and their projects are different. Probably they feel that the income from the banking is not as good as which would have been from the other sources. So we have scheme of converting the PDF shop as banking correspondent. For that we need to put up micro ATM Government is in the procuring process and it can be expedited. We can convert all the PDF shops into the banking correspondents where the basic banking services including the sale of third party products can also be carried out. These are the two pertinent things which the State has to enhance as part of financial inclusion.

- Kerala is very strong in the Kudumbashree, NRLM, and SHGs. But however the disbursement of loan and then collection of EMI is very difficult. Fortunately we have now product called Aadhaar Payment Bridge whereby if the Aadhaar Numbers of all the SHG members are seeded, the money can be transferred directly to the bank account. Similarly the *99#, which is not used by many of them. But it works on the feature phone also. Basically it does not require internet to carry out the transaction. There is whereby member of the SHG can repay back without going to bank. Kerala is a right place to utilize these innovative technologies for the cost cutting, convenience and obviously for the transparency in transaction purposes. By doing so they also build up the transaction history which will help them to get the further credit in the future.
- CD Ratio is one of the major concerns for any State. Bankers have to look into new channels as how to improve it. But access to credit is a big issue. While on the one side, there are not many people coming forward to take the loan. On the other side we have thriving industry of the blade mafias. Not all the loans given by the blade mafia are consumption loans. We know that lot of loan goes into other productive activities also.
- Although Kerala is a far better place in terms of credit accessibility but still from the feedback received from Public on Mudra , it is felt that credit accessibility is an issue in the state and it can be tackled also. We all know that PMEGP had a poor off take and lots of issues were there. They put all the applications online so that the Margin Money started going directly to the bank accounts and suddenly the PMEGP performance has improved. Similarly the time has come where the bankers can put up some software applications which are accessible very few entries required.
- Aadhaar seeding in the MGNREGA Account is as usual the Government project. He said that that at present Aadhaar seeding the Kerala has made a lot of progress. 3 weeks back, he was in Kerala to review the progress and now we have reached more than 70% which is above the national average of 67%. In mobile seeding we have reached close to 90%. Issues, if any, have to be taken up with Government of India or brought to his notice so as to enable him to take it forward.

Sri. Minhaj Alam IAS, Secretary (Finance-Resources), Government of Kerala in his address made the following remarks.

- He extended thanks to all the bankers for their hard work in the last financial year which was tough for them because of the issue of demonetization and there to work hard to ensure that people get adequate cash. As per reports of SLBC, for the last financial year, there was good progress; Most of the ACP targets have been achieved 100%. But there has some issues; one issue is that of CD Ratio which is coming down continuously for the last 2 years. Here we need to ensure to have more lending.

- We know that in the country we have two major problems at present, the issue of farmers and unemployment problems. Banks can do a lot in these issues. Lot of the States are having farmers associations and always having a demand for agriculture loan waiver and all. Unemployment is also a big problem. In Kerala actually we are giving farmers pension, 2 lakh farmers are getting pension. We are giving out of 17 lakh families, 37 lakh people are getting pension. We need to have positive attitude particularly in sanctioning loans in agriculture sector and other sector also. So that we can increase self employment and increase this agriculture. KCC percentage is only around of 10% of total agriculture advances and most of the agriculture advances gone towards Gold loans. We need to ensure that true farmers, get agriculture loans and they are not turned away.
- Referring Education loans, he informed that State Government has taken a decision to implement Repayment Support Scheme for Education loans in context of increasing NPA under Education Loans. It has been officially launched but Government is preparing software in consultation with SLBC which will be rolled out very soon. So banks will ensure that students, who have taken loans, can apply online and give the hard copy to the concerned bank branches. Then the bank branches have to process the same and upload it and send to the higher officials. The guidelines will be issued after the preparation of software.
- Another issue is regarding dovetailing of State Government scheme with bank scheme, because for increasing lending for which we need to have coordination with State Government. During the last SLBC meeting it was decided to list out the scheme. SLBC to the list out schemes which bankers can dovetail with their own schemes, so that we can have extra lending. He requested SLBC to circulate the schemes to banks so that banks can approach concerned district officials. There was lot of scopes in acquired agriculture, industry department where so many schemes having Margin Money as well as subsidy.
- Regarding E treasury, he requested RBI to increase number of agency banks. RBI has given permission to 9 banks to serve as agency banks. He requested RBI to give permission to other banks also to act as agency banks so that Government money collected by any Government officer can be remitted to the nearest bank. Even among the present 9 banks lot of branches are not accepting remittance. He noted that most of the banks are not having proper knowledge of the E treasury package. He made a request to all the concerned 9 banks to circulate this direction so that all their branches are familiarized with E treasury

Sri. P. Balachandran, General Manager, NABARD in his address observed that SLRM reflected certain changes for the previous meetings. This is the first meeting without a representative from SBT. There have been some changes in NABARD also. Our earlier CGM retired and Sri. R. Sundar has taken charge as CGM, NABARD. He then touched upon the following points.

- Basically the meeting is to review the performance of 2016-17. Kerala Regional Office of NABARD also had reasonably satisfying year. We could increase financial support to the State both by way of refinance as well as financing the State Government. We have been able to achieve Rs. 9400 crores over the last year including great support. We could provide almost 50% support to the State Cooperative Bank for their Short Term Agriculture. Similarly our LDRC of product ie. Long term Agricultural product for the cooperatives as well as RRB.

He believed that this has resulted in some kind of changes in the Agriculture Term Loan lending at the field level and it reflects in the data provided by the SLBC which shows an increase in the term lending for the last year. To some extent it could be attributed to the LDRC of support from NABARD which we could provide around Rs. 1000 crores. That has resulted also in some interest correction as far as the Term Lending in agriculture is concerned. Because all our clients both the Agriculture Rural Development Bank i.e. the land development bank as well as the DCCBs and RRBs have been coming out with new products at lower rate of interest for the agricultural term loan. That indirectly has given momentum to Agriculture Term Lending at the field level. We have also supported Kerala Infrastructure Investment Fund Board by way of our first loan Rs. 565 crores road project. So that way we have began a new chapter last year.

- Coming to the banking scenario as such we have certain initiatives which are closely linked with the banking network and the banking aspects. (i) e-shakti project which we are doing on a pilot basis at Kasaragod. As it was mentioned here many things are going digital and most of the things are being managed through database which now captures Aadhaar, PAN and other information. Similarly we are trying to build a database for SHG so that more lending would take place and some kind of a screening can be made by banks through CIBIL. Thus database will available to the bankers so that they can prudently take a decision as regards lending to the SHGs. It is on a pilot basis. That is beginning in Kasaragod District and we propose to extend it to other districts also. Before that NABARD would like to have dialogue with Kudumbashree who are most major player in the SHG scenario in Kerala. They are also having certain similar products, so both of us will be sitting together and reaching understanding and would be able to roll out in the other 8 districts. As far as Kasaragod is concerned, the previous day NABARD had a meeting of bankers to have familiarization with product. He requested that major bankers in Kasaragod ie. Syndicate Bank, KGB and other main players to provide them the support by doing more credit linkage in the Kasaragod District.
- During the last 2 years, we have been supporting the formation of farm producer organizations with the funding support provided by Government of India. Around 105 farm producer organizations have formed in this State, of which around 20 to 25 of them have started doing activities. They have reached the stage by which they will require some kind of financial assistance from banks. He expressed hope that banking sector in Kerala will rise to the occasion and come out with some product which would support the FPOs. Because, if that does not happen we would be left with no option but to bring our own subsidiary NABKISAN to this State. As the state has a large bank we have been telling our HO that at the present our subsidiary may not be required to open its business in Kerala, because our bankers will be coming to support the FPOs. Most of the farmers' agitations happening in Maharashtra and Madhya Pradesh and all are related to the price realization. They have had good harvest, but they were not able to realize the prices. Similarly farmers in Kerala, mostly in the spices sector and other areas are also having facing the question of price realization. When they individually approach the traders, they are not able to get good price. So the FPOs are really helping the farmers in the aggregation and better price realization. It is heard that, they need some kind of support from the banks so that they can procure this items, agriculture commodities and store it for some time for a better realization. This kind of working capital is the major requirement as we could see plus some amount for grading and primary processing and all those things. He requested to all the bankers to support those FPOs who have now graduated to such an extent and they could need some kind of support from the bank.

- Another aspect that NABARD had undertaken is water shed development. Development of around 135 watersheds in the 3 districts of Kerala viz. Wayanad, Kasaragod and Palakkad in the period 2011 to 2014 was undertaken. Those watersheds were performing well and closed also. But some of the community organizations, which we had supported at that time called Village Watershed Committees. are still intact and doing good work. Because they are doing some kind of micro lending and are also helping the farmers in those areas. So we have now come with sustainable development plan for supporting these village watershed committees. There is an opportunity for the bankers to support these village watershed committees and activities in the particular district. We are selecting around 60 to 70 such village watershed committees for further support and sustainable kind of a model. He again requested if any of the bankers are willing to participate or partner within this endeavor will be welcomed and have district level meetings, wherein these can be chalked out with the Village Watershed Committees. Because they already have micro lending corpus. They would like to further add to the micro lending corpus plus there are other opportunities for the agriculture allied activities and crop loans all those things.
- He mentioned that under the national water campaign process almost one lakh villages have been covered by NABARD all over India of which around 150 village panchayats and 2600 wards have been covered in 8 districts of Kerala. We have identified some volunteers to take up water conservation measures and done some kind of resource mapping.
- Referring the low volume of the KCCs, he informed that out of the 53 lakh agricultural accounts, around 6.7 lakhs only were KCC loans. We have been insisting District Cooperative Banks that all the agricultural loans should be converted into KCC, if they are to be eligible for interest subvention. If you look at the newspaper reports, regarding the extension of interest subvention, there was a last line which had said that may be in future, it could be through DBT. He was not sure about the procedural formalities, but he is of the view that if it is going through DBT, it has to be through R-KCC / Rupee KCC mode. He presumed that this could be applicable for Commercial banks also.
- Regarding the other insurance schemes, he made two suggestions (i) NABARD have developed a small film on PMSBY around 1 minute or, it could be even reduced 30 seconds. This is as part of our support for the scheme and that is available to all banks. If any banks are interested, they can run it in their branches or they can programmed it and put it some TV channels or screens in theatres. Our focus has been Rs. 1 per month. So that has been focal point as far as short commercial is concerned. (ii) As per the data of SLBC, PMSBY and PMJJBY, accounts of District Cooperative Banks are not figures in this data. He opined that, if those data are available, it can be part with it and next quarter onwards, the data could also be added to the SLBC data figure.
- He, then extended thanks to the LDMs for all the support that they have been provided to the DDMs in their work in the field. Because he found that most of them are working on a partnership basis.

Sri. A. Shajahan, IAS, Secretary, Local Self Government Department, Government of Kerala in his address shared happy news to the forum that they bagged 6 awards in the last fortnight from Government of India for the implementation of various rural development schemes.

- First prize for Aadhaar linking. We linked 92 % under MGNREGA.
- Thrissur District bagged first prize in Geo tagging
- For best performing panchayats, Government of India selected 5 panchayats, Vijayapuram from Kottayam District is one of the 5 panchayats.
- Kudumbashree is a national resource organisation for the Government of India. Kudumbashree had entered into an agreement with 13 States for the support of the formation of SHGs and micro enterprises groups of respective States. So Government of India awarded Kudumbashree with the outstanding contribution as NRO
- Kudumbashree also received another award for the implementation of DDUGKY the best performance among the States in India.
- On behalf of banks, Resident Commissioner of Kerala received an award from Union Minister for Rural Development in Delhi for the best performance of the RSETIs in among the Indian States.

He said that, only because of the synergy between bankers and Department they have received the 6 awards. He expressed hope that this synergy will ensure that more awards would be bagged in the ensuing year also.

The house then proceeded to consider the presentation of the groups and the agenda items.

1. ADOPTION OF MINUTES

The forum adopted the minutes of the 121st Meeting of SLBC, Kerala held on 24th March 2017, which was forwarded to the members vide Convener's letter SLBC 35 50 2017 GN dated 31st May, 2017 without any amendments.

Thereafter, the leaders of the group were invited to present the reports and recommendations for consideration and deliberations of the house.

2. ISSUES FOR GROUP DISCUSSION ON PRIMARY SECTOR (GROUP I)

(**Sri. V. Vijayakumaran**, LDM Pathanamthitta, the leader of Group-I presented the report of the group).

2.1. Review of Performance under Annual Credit Plan 2016-2017

2.1.1. Bank wise Performance – Primary Sector

2.1.2. District wise Performance under Primary Sector

The forum noted that the performance under Primary Sector have achieved at 100% with the coordination between Banks and Government.

2.2. Agriculture Advances

The forum noted the performance.

2.3. Performance under Kisan Credit Card Scheme

The forum noted the performance.

2.4. PENDING ISSUES

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

The forum decided to pursue the matter with DFS, Government of India.

(Action: SLBC Cell)

2.4.2. SAMIS - recasting the data management system - LBR returns

The Primary Sector Group suggested the following.

- *Centralized data collection through controlling/co-ordinating offices is suitable for timely/speedy collection of data & submission.*
- *Common information can be culled directly from controlling offices & preferably in common format, in the following two types of formats*
 - *common data format for all districts*
 - *Specific data format for particular district.*
- *All other Government sponsored schemes should be brought on common platform/forum so that all the stakeholders can easily access. e.g. PMEGP portal, Mudra portal etc.*

(Action: NABARD /Banks)

2.5. FRESH ISSUES

2.5.1. Total GLC targets for the Country for 2017-18 - Ground Level Credit Target for Agriculture – 2017-18 (Suggested by NABARD)

The forum noted that the target for last year was Rs.42880 crore under which crop loan target was Rs.28900 crore and term loan target was Rs.13980 crore.

The Primary Sector Group suggested the following.

- *More thrust should be given on capacity building, like agro food parks, cold storages, processing centres, common facilitation centres. eg: incubation centre for jackfruit at KVK, Pathanamthitta should be in pan Kerala.*
- *Component of maintenance/working capital loan to be increased for perennial crop loans like rubber plantation.*
- *Scale of finance should be amended for mixed cropping /intercropping patterns.*
- *Encouraging organic farming by providing higher scale of finance for organic farming, organic manures.*

- *Geographical Indicator (GI) tagged crops should have special scale of finance.*
- *Bi-lingual scale of finance to be provided.*
- *To avoid multiple financing - encourage for aadhaar linkage.*

Convenor, SLBC Kerala observed that this is apex target given to NABARD and suggested that while making the review of the Annual Credit Plan this targets has to be considered.

(Action: SLBC)

2.5.2. Sub-Committee on Agriculture and Allied Sector (Suggested by NABARD)

The Primary Sector Group suggested the following.

- *Encourage fallow land cultivation with adequate financing.*
- *Cultivation in registered leased land should be made acceptable for bank financing, including credit facilities for establishing nursery, polyhouse etc.*

(Action: Banks)

2.5.3. National Livestock Mission – Ensuring equitable distribution of Subsidy benefits – More loans and Subsidy benefits to SC, ST and BPL category (Suggested by NABARD)

The forum noted that the lending to weaker section is being regularly reviewed by SLBC.

2.5.4. Capital Subsidy Scheme for Commercial Production Units of Organic Farming under National Project on Organic Farming – Inclusion of ‘Establishment of Soil Testing Labs (Static & Mobile)/ Mini Labs and Soli Testing Projects at Village Level (Suggested by NABARD)

The forum noted that during the Steering Committee meeting of SLRM 2017, DGM, NABARD informed that scheme for soil testing has already in force. The applications need to be sponsored by state Department of Agriculture. The Additional Director of Agriculture who represented the Department informed that so far no applications have been received from public, probably because there is another scheme in the Department working with 60% and 40% share from Government of India and Government of Kerala respectively. This scheme gives free soil testing facility to farmers in the state

2.5.5. Subsidy under DEEDS - Submission of Compliance certificate in respect of loans sanctioned on or after 21 November 2016 (Suggested by NABARD)

The forum noted that during the Steering Committee meeting of SLRM 2017, DGM, NABARD informed that the DEEDS is continuing. This year the thrust is for mechanization. But in Kerala the field demand is for animal. Banks while forwarding the subsidy claim may endorse the fact that public demand is for animals. The committee advising all banks to submit a compliance certificate along with subsidy claims, in respect of loans sanctioned on or after 21 November 2016.

(Action: Banks)

2.5.6. Water Campaign: 2017-18 (Suggested by NABARD)

The forum suggested that NABARD may organise district level campaigns. DDMs can organise campaigns jointly with LDMs. Banks shall ensure their participation.

(Action: NABARD)

2.5.7. Commercial Dairy Milk and Milk Shed Development Programme [MSDP] (Suggested by Directorate of Dairy Development)

The forum noted that during the Steering Committee meeting of SLRM 2017 held on 13.06.2017, the representative from Directorate Dairy Development informed that most of the banks are giving loan to milch animal and are reluctant to give loans to heifer units. Regarding the acceptance of the Heifer schemes, the meeting observed that due to certain flaws in the cash flow model of a pure heifer rearing scheme, it is not getting promoted. The forum requested the department to formulate a composite scheme (combination of milch & heifer animals) suitable for Kerala, in consultation with NABARD.

The Primary Sector group suggested that purchase of dairy animals from other States can be made through Government agencies to avoid bottlenecks of cash payments.

(Action: Dairy Development Department)

2.5.8. Recommendations to include Dairy as Agri activity and to extend loans to the rates as applicable to Agriculture farmers (Suggested by Directorate of Dairy Development)

Convenor, SLBC Kerala informed that the matter has been discussed in various forums, this is only the purpose of getting interest subvention and interest subvention is given by the Central Government. Hence, Government of Kerala has to represent the matter to Government of India.

2.5.9. Extending loans for Commercial Fodder Development activities taken up by individual/Dairy Co-operatives/SHGs/Women Gopalika Group (Suggested by Directorate of Dairy Development)

The forum observed that entrepreneurship should be encouraged for taking up of production of fodder crops on commercial basis that can be supplied to needy dairy farmers.

The forum noted the contents for information.

(Action: Banks)

2.5.10. Massive Fodder Development Programme in Baren Land/unutilized land in selected Panchayat (Suggested by Directorate of Dairy Development)

The forum noted the contents and requested all banks to extend support to the scheme.

(Action: Banks)

3. ISSUES FOR GROUP DISCUSSION ON SECONDARY SECTOR & GOVERNMENT SPONSORED SCHEMES (GROUP II)

(Sri. A. Padma Kumar, LDM Kollam, the leader of Group-II presented the report of the group).

3.1. Performance of Secondary Sector under Annual Credit Plan (ACP)

3.1.1. Banking GroupWise Performance under Secondary Sector

3.1.2. District wise Performance under Secondary Sector

The forum noted the following:

- *During 2016-17, the percentage of disbursement under the secondary sector was 81% as against 101% of 2015-16.*
- *The drop in performance was mainly from four districts, namely Alappuzha (32%), Kottayam (54%), Kannur (66%), and Trivandrum (66%).*
- *The same has been contributed by under-reporting of figures.*
- *The MIS reporting of LBR data may be made online through specific formats, so that such shortfalls can be reduced.*

3.2. Performance under MSME Advances (Priority)

The forum noted the following:

- *The MSME Advances shows steady performance during 2016-17, compared to previous year.*
- *This has happened due to Low level of Lending during 3rd quarter (de-monetization period) and increased Recovery.*
- *The share of Manufacturing Sector in MSME is only 30%, whereas Service Sector contributes 54% and retail Trade by 16%. There is a huge need for improving lending to the Manufacturing Sector for better sustainability and longevity.*

The forum noted the following measures for improving MSME advances under Manufacturing Sector suggested by the Secondary Sector Group.

- *The Government of Kerala (Industries & Commerce Department) has published a Draft Industrial policy 2017 during June 2017 with following focus :*
- *Self certification for White & Green Category Industries.*
- *Licensing period enhanced to 5 years.*
- *Portal based services for certificate Validation/Approval.*
- *Revamped Single window – Online Clearance Mechanism.*
- *Maximum 30 days for clearances.*
- *Common Web portal for all Departmental Clearance.*
- *Composite Application Form (CAF) covering all Departments.*
- *The Government needs to promote MSME clusters.*
- *At least two to three MSME clusters to be identified and promoted under MSME in each district in a year with proper hand holding (SPV Formation)*

- *Co-ordinated approach of the various State and Central Department needed in implementing Cluster programmes.*
- *Cluster Monitoring Committee involving stake holders such as DIC, KVIB, KVIC, Coir Board, MSEMEDI, KSSIA, Lead Bank to be formed for smooth implementation/monitoring.*
- *Orientation Programmes on MSME to be organized on District basis to all the bank managers jointly by all line departments so as to save time and resources.*
- *Revival of Sick Units to be taken up seriously*
- *The Government Sponsored Schemes*
- *Improving Credit Flow to PMMY (Mudra) : It is noted that Applicants are approaching banks for Mudra Loans of Rs.10 lakh without proper schemes or project plan. In order to ensure selection of proper borrower/project, it is recommended to have a 'Block Level Selection Committee'.*
- *A simplified online portal for different Mudra Loans to be developed by SIDBI.*
- *CGTMSE – claim settlement procedure to be simplified and streamlined.*
- *Improving Credit Flow to PMAY (CLSS): The requirement of four wheeler pathway may be relaxed to three wheeler pathway in the case of EWS/LIG category.*
- *Registration charges to EWS/LIG category for purchase of houses may be reduced.*

Referring the performance under PMAY, representative from HUDCO informed that as per the reports, it is found that some banks have been doing very well, but some banks are not performing up to the expected level. In the Steering Committee, there was a decision that every urban bank branch will be consider at least two schemes so as to able to push further. If any requirement for awareness scheme, HUDCO is ready to help whatever training programmes as well as logistic supports that can be provided to banks. This matter has to be looked into.

Convenor, SLBC Kerala stated that lot of disparity in participation from banks to the scheme. That is the one reason for not picking up the scheme at desired level. National Housing Bank and HUDCO are two implementing agencies can be arranged one workshop and next quarter onwards, in coordination with LDMs, they can arrange one workshop in each district involving all the banks in that district.

Representative from HUDCO informed that they have already done about 45 training programmes all over Kerala and conducted 4 loan melas in 4 different districts. They are ready to conduct any training programmes again.

Representative from National Housing Bank informed that as per statistics furnished, 1900 sanctions in Kerala but claims have been put up only for 400 cases. So banks may put up the claim and pass on the benefit.

Smt. P. V. Bharathi, Executive Director, Canara Bank said that it is very essential that all those who have eligible, should necessarily be covered under the scheme in order to ensure prompt payment.

Convenor, SLBC Kerala requested Controlling Offices of banks to take care that appropriate guidelines on PMAY are in place. Any bank feels that there is need to sensitize their branches, they can definitely seek the support of NHB or HUDCO for organizing workshops for their staff exclusively.

Representative from National Housing Bank, informed that the previous week they conducted a workshop for Syndicate Bank in VC mode. Such model can be experienced in Kerala also.

Referring the format for reporting, Smt. P. V. Bharathi, Executive Director, Canara Bank said that NHB can apprise them more about because the confusion is as how to report and see that subsidy is paid. She thought that if more focus is given on that on that, the banks will feel more comfortable in uploading the data for claiming of the subsidy.

For any assistance, Bank branches to contact to Sri. Hemkumar G, Regional Manager, National Housing Bank, Phone :9731396797

Convenor, SLBC Kerala stated that one more issue that figured in RBI Empowered Committee Meeting is relating to data inconsistency in reporting under Stand up India also. Data that gets reported in the portal is different from the data that they are given to SLBC. He requested banks to ensure that all sanctions are updated in the respective portals.

3.3. Advances to Weaker Section

The forum noted the performance.

3.4. Advances to SC/STs

The forum noted the performance.

3.5. DRI Advances

The forum noted the performance.

3.6. Credit Flow to Minority Communities

The forum noted the performance.

3.7. Total Outstanding Under MUDRA Loans (PMMY) as at March 2017

The forum noted the performance.

3.8. Loan Outstanding under Pradhan Mantri Awas Yojana as at March 2017

The forum noted the performance.

3.9. Cumulative enrolment under Pradhan Mantri Jan Suraksha Yojana as at March 2017

The forum noted the performance.

3.10. PENDING ISSUES

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

The forum observed that the matter will be covered under the Draft Industrial Policy of Government of Kerala.

The forum decided to pursue the matter with the Government.

(Action: SLBC Cell / Local Self Government Department)

3.11. FRESH ISSUES

3.11.1. Implementation of Coir Udyami Yojana of Coir Board (Suggested by Coir Board)

The forum observed the following.

- *The Central Sector Scheme 'Coir Udyami Yojana - CUY' (Modified REMOT Scheme) has been under implementation during the XI and XII Five Year Plan periods, provides a provision for working capital also.*
- *The forum recommended the bankers to consider the proposals received under the revised scheme.*
- *The huge level of NPA under the REMOT scheme is still causing concerns to the bank. The Coir Board in consultation with the Government, should come up with suitable 'Rehabilitation Scheme'*
- *Coir Board requested the banks for Reconciliation of the funds released to the Banks in Kerala under pre-revised Scheme of CUY, which may be considered.*

*Referring recovery measures for REMOT, representative from **Coir Board** informed that it is a policy matter.*

***Convenor, SLBC Kerala** requested the banks to take the support of Coir Board to identify the people and bring them for settlement under the bank's scheme.*

(Action: Coir Board and banks)

3.11.2. Promoting Cluster Approach (Suggested by Directorate of Industries & Commerce)

The forum noted that in the Steering Committee meeting of SLRM 2017 held on 13.06.2017, representative from Directorate of Industries & Commerce informed that government is promoting industrial clusters and requested the banks to give preference to applicants operating in these clusters.

(Action: Banks)

3.11.3. NULM SEP – Pending Banks (Suggested by Kudumbashree)

The forum noted that the pending list has been forwarded to the banks. The forum requested the banks to process the applications without delay.

The Secondary Sector Group suggested the following:

- *The provision of subsidy to NHGs to be streamlined as many of them is not getting the same in time.*
- *3% incentive for prompt repayment of loans is not passing to majority groups.*
- *Interest incentives for MUDRA loans in urban areas to be popularized by Kudumbasree and eligible subsidy to be provided to banks on quarterly basis.*

The forum requested Kudumbashree to take note of the above.

(Action: Kudumbasree, Banks)

4. ISSUES FOR GROUP DISCUSSION ON TERTIARY SECTOR (GROUP III)

(Sri. Kishore Kumar K, State Director RSETI, the leader of Group-III presented the report of the group).

4.1. Performance under Tertiary Sector of ACP

The forum noted the following:

- *Out of 14 districts, 4 districts have achieved the targets.*
- *Other 8 districts have achieved more than 80 % of the target*
- *Reporting of achievement to be seamlessly taken from the CBS.*
- *Different lead banks are using different Bank Statistical Reports. The format should be uniform*

4.2. Performance under Education Loan

The forum noted the following:

- *There is a slight decline in the outstanding level of education loans in the state.*
- *This is due to students preferring courses within the state and which are less expensive.*
- *But the increasing trend in the NPA level is still continuing, which is a matter of concern.*
- *13% of total education loans is classified as NPA. This may be still higher if we compare against the demand raised in the accounts rather total liability. This data has to be collected and discussed.*
- *Also data from Co-operative banks are not available for discussion.*

4.3. Outstanding Performance under Housing Loan

The forum noted the following:

- Housing Loan sector is steadily increasing and the trend is maintained this year also.
- The increased thrust being given by Central Government under Housing for All / PMAY scheme will open more avenues under the sector.
- The NPA level under Housing loans is below 1%.
- The data being discussed do not include the loans given by Housing Finance companies, Co-operative Banks, NBFC etc.

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

The forum noted that out of the 6 locations identified, in 5 locations, KGB has opened the branches. The remaining location of Thrikkaipatta in Wayanad District is being taken up by SBI. The delay has been on account of merger.

Representative from **State Bank of India** informed that actually before merger they were expected to open the branch at Thrikkaipatta. But connectively would have been an issue. The Bank is in advance stage and is not able to find suitable premises in that village. The Bank is trying to finance somebody for creating infrastructure.

(Action: State Bank of India)

4.5. Status of Creating Banking environment for the visually challenged

The forum noted the statistics provided and requested banks to complete the coverage within this half year

4.5. PENDING ISSUES

4.5.1. Land Allotment for construction of RSETI Buildings

(Pending since July 2012)

The forum noted the present position of RSETIs in Kerala.

Land allotment procedure not complete	
Kozhikode	42 cents land in Vadakara Panchayat (on Back side of Vadakara Block Panchayat Office) MoU has to be entered into by the Bank and commence the work at the earliest. <i>Representative from CRD informed that the proposal is with Commissioner for Rural Development. With their recommendations it will be presented before LSGD for clearance.</i>
Palakkad	87 cents land at Thenoor in Parli Gram Panchayath is identified and the order/proceedings are awaited. Parli Panchayath has now backed out. Now a new location is being identified by the Canara Bank. <i>LDM Palakkad informed that new centre has identified in Peringottukurissi. 35 km from Palakkad, Thrissur Road. 1 acre land has been identified.</i>

Land allotment procedure not complete	
Kollam	65 cents Land has been measured and boundaries marked in Extension Training Center campus of State Institute of Rural Development at Kottarakkara. GO has been issued for allotment. Bank has to go for signing MoU and commence the formalities for construction. <i>Representative of CRD informed that MoU signing is scheduled on 27.06.2017 tripartite agreement between the Government and RSETIs.</i>
Pathanamthitta	62 cents Land (Block No 10, Elanthoor village, Sy No 60/5) has been identified at Elanthoor and agreed for allotment.

Other reasons for not constructing or shifting to constructed building	
Alappuzha	In Alappuzha there was a dispute with the Veterinary department on the land allotted. This has been solved now bank has asked for an unconditional custodial right over this property enabling them/contractor to do the work without any further claims or controversies. It is difficult to get a certificate like this and the bank has been requested to go ahead with the construction. <i>The forum requested SBI to proceed with the construction work without further delay.</i>
Ernakulam	Building is complete. But there is issue of water supply .Hence the RSETI has not shifted to the new location. The water Authority MD has offered to provide water @ Rs.60 per 1000 KL with a condition that RSETI to make arrangement to lift the water. <i>The forum requested Union Bank of India make necessary arrangements and commence function in new premises at the earliest.</i>
Wayanad	Land is allotted in Block Panchayath Bathery and the Bank is proceeding with the steps for construction.
Kottayam	Land has been allotted in Pallom Block Panchayat premises and steps are being initiated by the bank for commencing the process. <i>Forum suggested that a modified plan which excludes the need for felling trees can be considered</i>
Idukki	Consequent to meeting with Minister for LSGD, on 15.06.2017, decision was taken for constructing RSETI at Nedungadaom in land of 1.28 acres adjoining present RSETI which will be allotted by the Block Panchayath. Block panchayath has also committed single window clearance for all permission in 3 months. The forum decided requested Union Bank of India to take a decision at the earliest and have a joint inspection with the CRD and proceed
Thiruvananthapuram	23 cents land allotted in Vattiyoorkavu . Plan approval pending with Corporation for want of stipulated width of 3.6m (only 2.7m is available) In the steering committee of RSETIs, Secretary LSGD has informed that there is provision for exemption if the bank takes it up specifically. Forum IOB to take up with LSGD for waiver of clause at the earliest.

(Action: Banks, Commissioner of Rural Development)

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

The forum noted that the matter is one of the long pending items in SLBC, to be speeded up and completed at the earliest since it will have direct bearing on incidents of multiple lending, frauds etc leading to NPAs.

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

(Action: Revenue Department)

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

The forum decided to pursue the matter with Revenue Department.

(Action: Revenue Department)

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

The forum decided to pursue the matter with Taxes Department.

(Action: Taxes Department)

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

The forum decided to pursue the matter with Planning & Economic Affairs Department, Government of Kerala.

(Action: Planning & Economic Affairs Department / KSCARD Bank)

4.5.6. Loan Waiver Scheme of Scheduled Tribes Development Department

The forum requested the department to give the full list of cases received in an electronically sortable soft copy to SLBC cell so that it will be easy for the member banks to identify the left out cases. The forum observed that major delay is from the Co-operative sector. The Registrar of Co-operative Societies may intervene in the matter.

(Action: ST Development Department / Registrar of Co-operative Societies)

4.5.7. Making suitable modifications/ amendments in ‘Kerala Land Conservancy Act 1957’ to include the properties owned by Public Sector Banks also in the purview of the Act

The forum noted that the request was submitted to the govt as a onetime measure expecting a favourable decision from the Government.

4.6. FRESH ISSUES

4.6.1. Issues faced by Financial Literacy Counsellors [FLCs] (Suggested by Reserve Bank of India)

a. Lack of acceptability among the general public.

The forum requested that Banks should issue ID cards to Financial Literacy Counselors.

(Action: Banks)

b. Banks shirking the responsibility to appoint Financial Literacy Counselors

The forum recommended the following:

- *Suitable experienced and committed counselors to be selected from banking fraternity itself.*
- *Standardized monitoring policy to be formulated.*
- *FLC details to be made available for all banks of the area.*
- *FLC programmes to be announced through All India Radio and other media in advance.*
- *If an allotted bank is unable to open or continue an allotted, FLC, the bank has to take prior permission from RBI and also find alternate takers for the FLC in consultation with LDM .*

(Action: Banks)

c. Funding constraints in conducting FL Camps

The forum noted the following:

- *Some banks submit proposals to NABARD HO through their Head offices.*
- *In some banks the proposal goes from their state/regional office to the concerned RO of NABARD*
- *Whatever be the practice followed in each bank, the state controlling office of the Bank has to follow up with the concerned offices to see that the proposals are submitted and got approved well in advance.*
- *It is the duty of the State head of the bank to ensure that the functioning of FLCs goes uninterrupted.*

(Action: Banks)

d. Lack of infrastructure provided by controlling banks to FLCs

The forum concurred with the suggestion of Steering Committee that the matter needs to be addressed for which a study has to be conducted. A data collection format has been circulated to all FLCs and on the basis of this a study will be made.

The forum decided that the study has to be completed at the earliest and report to be submitted for further action.

(Action: Banks)

e. Remuneration and other allowances fixed for FLCs are not sufficient

The forum decided the following:

- *Individual banks have to take a call in this regard*

(Action: Banks)

4.6.2. Problems faced by Plantation Sector (Suggested by Reserve Bank of India)

The forum noted the following:

- *The plantation belt in Kerala is spread across 9 districts of Kerala covering Tea , Rubber , Coffee , Cardamom and Cashew crops*
- *Three major plantation companies include Private Sector Co.s (like Tata Tea , AVT, Harrison Malayalam etc) and PSUs (like Plantation corporation of Kerala Ltd, Oil Palm India Ltd , Rehabilitation Plantations Ltd , Aralam Farming Corporation (K) Ltd ,State Farming Corporation etc),*
- *Till now , the wages of the plantation workers were being paid in cash*
- *With the recent changes in IT Act, the wage payments exceeding Rs.10000 is required to be paid through the account of the worker. Otherwise such a payment will not be allowed as an expense in the Income Tax assessments.*
- *All the permanent workers in the Plantations have bank accounts with scheduled banks for their EPF.*
- *But the shortage of banking outlets for withdrawal of the wages is an issue faced, because many estates are located in hilly and difficult terrain*
- *The Labour Commissioner had held two rounds of meeting with the Association of Planters of Kerala, Trade Unions, Reserve Bank of India, SLBC and banks with major presence in the Plantation Belt.*
- *In the meeting , the Labour Commissioner had conveyed that the issue has reached the attention at the highest levels in the State Government and it is imperative to find a solution at the earliest*
- *This meeting was being held in continuation of the same, to workable suggestions from the banks' side to solve the issue.*
- *The Association of Planters have forwarded a list of centres (nearly 70) suggested for providing banking channels , which would be circulated to the participants by email from SLBC*

- We examined the centres. Many have facilities in close call. Many are on locations like National Highways where we can have ATMs. But there are some places that really need banking support (like Ambanad in Punalur, Vaguvarai in Munnar etc)
- RBI called a meeting of banks with major presence in Plantation belts on 2017 May 30th. The meeting discussed the following options

Options discussed	Views of the forum
Cash delivery at the estate site	Due to logistical issues and man power shortage , this is ruled out issues
Fixed ATMs	Out of the list, the banks may identify those locations where a fixed ATM is viable and may work on that as a medium term solution An equitable sharing responsibility among the banks may also be thought of Such identified locations may be intimated to RBI and SLBC
Mobile ATMs	Operating a mobile ATM is costlier than that of a fixed ATM Currently only Canara Bank, KGB and SBI have mobile ATMS in the state (in limited numbers only). They are currently deployed in other needy places So an immediate deployment in the area may not be possible .But it is one of the options, that banks may consider
Appointing APK as a Corporate BC	This can be further explored as an immediate measure
Appointing individual BCs	This also can be explored as an immediate measure. The existing BCs especially in the Idukki District need to be better equipped and strengthened
Opening Extension counters Opening new branches	In the long term perspective banks may explore opening extension counters/branches in viable centres
Improving Digital transactions through POS & other devices in the Co operative stores, PDS outlets, shops etc in Estate area	There is urgent need to reduce the cash dependency in the plantation areas. So these options are to be explored

The following action plan was made

	Action Point
1	Banks to forward the details of BC model of each bank and the contact details of the officers handling BC to SLBC
2	SLBC to chalk out a draft model & place in the meeting of these officers
3	Banks shall examine the list attached and inform the locations which they voluntarily propose to install ATMs
4	SLBC shall place these proposals in a meeting of banks to evolve a common understanding

(Action: Banks, Labour Department)

4.6.3. Issues confronting Business Correspondents (Suggested by Reserve Bank of India)

The forum recommended the following:

- *Banks have to address such ground level issues which affect the efficiency of the BC functioning.*
- *Kudumbashree may be pursued to register as a corporate BC, where ever Akshaya finds difficulty in going mobile BC model.*
- *Akshaya pursuing with Government to procure facilities for going mobile*
- *There has to be single point contact person in the state in all the Banks to resolve the issues faced by Akshaya Kiosk banking operations.*

(Action: Banks, SLBC, Kudumbasree)

4.6.4. E-Shakti -Digitization of SHGs (Suggested by NABARD)

The forum recommended the following:

- *Banks may extend support subject to the compliance of the RBI guidelines on sharing of personal information of customers.*
- *All the districts in the state to be covered under the Phase III of E-Shakti Project.*

(Action: Banks)

4.6.5. Installation of solar powered V-SAT Connectivity to Kiosk / Fixed CSPs – Support under Financial Inclusion Fund (FIF) – Monitoring Mechanism in SLBC (Suggested by NABARD)

The forum noted that the matter was placed as Table Agenda in the previous SLBC meeting. The forum then noted the latest guidelines in this regard provided in Annexure-7.49 of the booklet.

4.6.6. Support under Financial Inclusion Fund (FIF) – Conduct of Financial Literacy Programmes – Review of the ongoing schemes (Suggested by NABARD)

The forum noted that RBI Circular FIDD.FLC.BC.No.22/12.01.018/2016-17 dated 02 March 2017 advising banks (rural branches and FLCs) to conduct special camps every month for a period of one year beginning 01 April 2017 on “Going Digital”.

The forum noted the supporting circular issued by NABARD to all banks provided in Annexure-7.50 of the booklet.

4.6.7. Norka Department Project for Returned Emigrants (Suggested by NORKA)

The forum decided the following:

- *Regarding participation, individual banks may take a call*
- *Operational issues have to be addressed by NORKA and participating banks*
- *Regarding subsidy it is observed that:*
 - *4 years backend period is too long. May be reduced to 3*

- *Subsidy should not be denied for failure due reasons beyond control of beneficiary*
- *In misutilization, NORKA should support bank with joint filing of FIR*
- *Instead of asking the banks to refund the subsidy in-toto, it may be proportionately shared from recoveries as in the case of PMAY*
- *Where interest is charged on back end subsidy, specific cases may be brought to our notice*
- *Loan may be restricted like MUDRA scheme limits.*

(Action: NORKA, Banks)

4.6.8. Progress of Aadhaar & mobile seeding in Operative accounts

The forum requested banks to complete the task by 30.06.2017. The forum also requested the banks that are lagging behind have to double up their efforts.

(Action: Banks)

4.6.9. Education Loan Repayment support scheme (Suggested by SLBC Cell)

The forum noted that the Government of Kerala has brought out Government order detailing the Education loan repayment support Scheme. The GO is already circulated. The Government is in the process of devising a web package for the scheme. From application to the approval of claims will be through the web portal and will be transparent.

Based on the discussions, the banks had with the Secretary (Finance Resources) on 2017 May 30th, we have suggested the following process flow for the scheme

Convenor, SLBC Kerala informed that basic requirement is that from the bankers' side because lot of write off involved under the scheme. There are 3 schemes as per the under sub Rs. 4 lakh scheme.

- *Under sub Rs. 4 lakh scheme which is an NPA as on 31.03.2016. The scheme envisages 60% of the funding of the principal amount i.e. the original loan granted plus legal charges of bank minus recoveries made. 60 % funding by the Government and 40% by the concerned student parent. For that the parent they have to give the 40% first and credited and then they have to claim 60% from Government then the entire interest has to be waived off / written off by the concerned bank.*
- *Scheme No.2 is above Rs. 4 lakhs up to Rs. 9 lakhs category where the funding from the Government will be 50% subject to maximum of Rs. 2.4 lakh. There again Government is not insisting banks to waive the interest. It is for the banks to come out with a scheme for that and if the balance amount party has to pay. Suppose if the balance amount entire amount parties not having money then he can pay the overdue proportionately as such the accounts can be upgraded and continued. If banks are permitting a restructuring or otherwise can be continued.*
- *Scheme No.3 - with regard to an account which is not an NPA which is standard account where repayment is started the first year Government will give the 90% of the repayment obligation and 10% by the concerned party. Second year 75%-25% and third year onwards 50%-50%. But there is a cap of Rs. 2.5 lakh maximum.*

These are 3 schemes basically once take the approval for this, then those banks can participate this. So major chunk of the participation requirement will be in the part No.1 Sub Rs. 4 lakhs category where major exposures for that banks are there. And there is an income criteria tap of Rs. 6 lakhs annual income of parent or guardian. Some cases goes up to Rs. 9 lakh.

Individual banks have to go the board and take permission for this to implement and once they take permission, they can participate this. By that time, operational guidelines will be in place and maybe expected that, it would be ready in a couple of weeks. We have already given draft standard operational guidelines and then the web based portal will be there. All the applications, individual participation, individual will be explained and every details will be available in the web portal. All the eligible students will be able to source this web portal and remit the part of the money then apply online. After applying online along with the documents and remittance, he has to approach his branch where he has availed Education Loan and submit the papers. Branch will move the controlling office and controlling office to the Government and Government will see that then they will release the money. Basically what is required from the bankers' side is taking the appropriate permission and keep it ready so that we will be ready when the scheme is launched and rolled out by the Government.

(Action: Finance Dept, Govt of Kerala, SLBC Cell, Banks)

4.6.10. Information Note – Minutes of the Meeting chaired by Joint Secretary (DFS) to discuss issues regarding Vidya Lakshmi Portal (VLP) on Education Loan at 11.00 a.m. on 12.04.2017 in the Conference Room of Department of Financial Services

The forum noted the contents for information and compliance.

(Action: Banks)

Other issues

Representative from Akshaya informed that out of 2700 akshaya centres, aadhaar seeding plus enrolment can be done only through 700 centres. He sought some financial assistance from NABARD to other centres which could be very helpful to them. UIDAI has strict the security things. Operators in the existing aadhaar centres are de listed and centres are working with one single person. Hence more time is required for aadhaar seeding. He added that mobile banking seeding with bank account is also difficult.

Convenor SLBC, Kerala requested Akshaya to give the Akshaya related issues to SLBC in writing.

(Action: Akshaya)

5. Review of Performance under various Segments

6. Review of Performance of the Banking Sector

The forum concurred with the review of the performance under various sectors as at March 2017 quarter provided in the background notes supplied.

The State Level Review Meeting of SLBC, Kerala concluded with the above deliberations.

Sri. Nair Ajit Krishnan, Deputy General Manager, Canara Bank proposed vote of thanks.

PARTICIPANTS ON 21.06.2017 - OPENING & GROUP DISCUSSION SESSIONS

1. Smt. Uma Sankar
General Manager, Reserve Bank of India
2. Sri. Nair Ajit Krishnan
Deputy General Manager, Canara Bank
3. Smt. Indu Parvathy K
Assistant General Manager, State Bank of India
4. Sri. Sooraj S
Assistant General Manager, Reserve Bank of India
5. Sri. Krishna Sandhya
Assistant General Manager, NABARD
6. Sri. Sreekumar K
Deputy General Manager, KSC Bank
7. Smt. Sheela G
Under Secretary, Planning & Economic Affairs Dept
8. Sri. P. K. Mohanan
Joint Development Commissioner of Rural Devp.
9. Sri. V. S. Santhosh
Divisional Manager, Canara Bank
10. Sri. Anand K
Chief Manager, Punjab National Bank
11. Sri. Rajneesh Trivedi
Chief Manager, Bank of Baroda
12. Sri. Sunil Kumar K
Chief Manager, South Indian Bank
13. Sri. Krishnakumar P. G.
Chief Manager, UCO Bank
14. Sri. Jayanthan
Chief Manager, Federal Bank
15. Sri. Prasanth K
Chief Manager, Dena Bank
16. Sri. Rajan V. C.
Regional Manager, Kerala Gramin Bank
17. Sri. Jithesh Janardhanan
Assistant Vice President, HDFC Bank
18. Sri. Vijayakumaran V
LDM, State Bank of India, Pathanamthitta
19. Sri. Chandrasekharan C. V.
LDM, State Bank of India, Kottayam
20. Sri. G. Vidyadharan Namboothiri
LDM, State Bank of India, Alappuzha
21. Sri. Padmakumar A
LDM, Indian Bank, Kollam
22. Sri. Abraham Shaji John
LDM, Indian Overseas Bank, Trivandrum
23. Smt. Chitraja S D
Deputy Registrar of Co-operative Societies
24. Sri. Pradeep R
Assistant Director, KVIC
25. Sri. K. J. Skandha Kumar
Assistant Director, State Horticulture Mission
26. Sri. K. R. Krishnakumar
Assistant Director, MSMEDI
27. Sri. Pramod Kumar M. S.
Assistant Director of Agriculture
28. Sri. Kishore Kumar K
State Director, RSETI, Kerala
29. Sri. T. Shaji
ADIC, Directorate of Industries & Commerce
30. Sri. Frony John P.
Senior Manager, Syndicate Bank
31. Sri. R. Rajesh
Senior Manager, Bank of India
32. Sri. Thomas George
Senior Manager, Indian Bank
33. Smt. Nithya Rajan
Assistant Programme Manager, Kudumbashree
34. Sri. Tony Thomas
Regional Coordinator, ICICI Bank
35. Sri. Sanjeev S. U
Manager, SFAC
36. Sri. Santhosh K
Regional Officer, Coir Board
37. Sri. B. Sunilkumar
Inspector, Coir Board
38. Sri. Basanth V.
Sr. Branch Manager, Oriental Bank of Commerce
39. Smt. Chaithanya Devi I
Manager, Reserve Bank of India
40. Smt. Sharima S
Manager, Corporation Bank
41. Sri. Arun V. E
Manager, Bank of India
42. Smt. Deepa R. Das
Manager, Canara Bank
43. Sri. Jithin V. Shajan
Manager, Canara Bank
44. Sri. Chandrakanth Kamath
Manager, AXIS Bank
45. Sri. Rakesh R. S
Relationship Manager, City Union Bank
46. Smt. Yamini S. Kumar
Branch Manager, Bank of Maharashtra
47. Sri. D. Ravisankar
ADO, Syndicate Bank
48. Sri. Sivalal M
Research Officer, Planning & Economic Affairs Dept
49. Sri. Biju V. S. Kumar
BDM, Akshaya, KSIT Mission

50. Sri. Ranjith M	Assistant Manager, Indian Overseas Bank
51. Smt. Arya S	Assistant Manager, Corporation Bank
52. Smt. Rakhikrishna M.K.	Assistant Manager, Andhra Bank
53. Sri. Arjun Patil	Agricultural Finance Officer, Central Bank of India
54. Sri. K. Vijayan	Agricultural Development Officer, KSCARD Bank
55. Sri. T. Bharath	Agricultural Officer, Tamilnad Mercantile Bank
56. Sri. Praveena G	Officer, Karnataka Bank
57. Smt. Anila J. Andrews	Officer, Canara Bank
58. Smt. Shameena S	Agricultural Extension Officer, Canara Bank
59. Smt. Nisha V. L	Officer, Canara Bank

PARTICIPANTS ON 23.06.2017 - PLENARY SESSION

CHAIRPERSON OF THE MEETING

Smt. P. V. Bharathi

Executive Director, Canara Bank

GOVERNMENT OF KERALA / GOVT. OF INDIA / DEVELOPMENTAL AGENCIES

1. Smt. Nalini Netto, IAS,	Chief Secretary, Government of Kerala
2. Sri. V. S. Senthil, IAS	Addl. Chief Secretary, Planning & Economic Affairs Dept.
3. Sri. Minhaj Alam, IAS	Secretary, Finance (Resources)
4. Sri. A. Shajahan, IAS	Secretary, Local Self Government Department
5. Sri. Ahsok Kumar Singh, IAS	Director (FI), DFS, Ministry of Finance
6. Smt. Prasanna Kumary M.C.	Additional Secretary, Planning & Economic Affairs Dept.
7. Sri. A. James Raj	Joint Secretary, Fisheries Department
8. Smt. Sheela G	Under Secretary, Planning & Economic Affairs Dept.
9. Smt. Jayasree L	Under Secretary, Agriculture Department
10. Sri. P. K. Mohanan	Joint Development Commissioner for Rural Development
11. Sri. Sureshkumar S	Joint Director, Industries & Commerce
12. Smt. Smitha B. S.	Deputy Director of Fisheries
13. Sri. Dinesh R.	Assistant Director of Handloom & Textiles
14. Sri. Pramod Kumar M. S	Assistant Director of Agriculture
15. Sri. Sanjeev	Assistant Director, KVIC
16. Sri. K. J. Skandha Kumar	Assistant Director, State Horticulture Mission
17. Smt. Rugminidevi K C	Managing Director, SFAC
18. Sri. Harikrishnan	AGM, HUDCO
19. Smt. Chitraja S D	Deputy Registrar of Co-operative Societies
20. Sri. K. Kishore Kumar	State Director, RSETI, Kerala
21. Sri. Alex T. Joseph	Chief Planner, Officer of the Housing Commissioner
22. Sri. Santhosh K	Regional Officer, Coir Board
23. Sri. Biju V. S. Kumar	BDM, Akshaya
24. Sri. Arun G. Nair	DPM, Akshaya
25. Sri. B. Sunilkumar	Inspector, Coir Board
26. Smt. Nithya Rajan	Assistant Programme Manager, Kudumbashree

RESERVE BANK OF INDIA

1. Sri. S. M. N. Swamy	Regional Director
2. Smt. Uma Sankar	General Manager
3. Sri. Sooraj S	Assistant General Manager
4. Smt. Chaithanya Devi I	Manager
5. Sri. Harlin Francis Chiramel	Manager

NABARD / SIDBI / NATIONAL HOUSING BANK

- | | |
|-------------------------|---|
| 1. Sri. P. Balachandran | General Manager, NABARD |
| 2. Sri. R. Sankar | Deputy General Manager, NABARD |
| 3. Sri. Reji Varghese | Assistant General Manager, NABARD |
| 4. Sri. Hemkumar G | Regional Manager, National Housing Bank |
| 5. Sri. Merwin Kishore | Manager, SIDBI |

PUBLIC SECTOR BANKS

- | | |
|------------------------------|---|
| 1. Sri. Hargovind Sachdev | General Manager, State Bank of India |
| 2. Sri. M. Vijayakumar | Deputy General Manager, State Bank of India |
| 3. Sri. S. Sundararaj | Deputy General Manager, Indian Bank |
| 4. Sri. K. Santhosh | Deputy General Manager, Indian Overseas Bank |
| 5. Sri. Rajan P. S | Deputy General Manager, Union Bank of India |
| 6. Sri. P. Karuppiah | Deputy General Manager, Syndicate Bank |
| 7. Sri. D. N. Rajendra Kumar | Deputy General Manager, Central Bank of India |
| 8. Sri. Gurusamy K | Assistant General Manager, State Bank of India |
| 9. Sri. K. Laxman Kudra | Assistant General Manager, Corporation Bank |
| 10. Sri. Kurian P. George | Assistant General Manager, Punjab National Bank |
| 11. Sri. K. V. S. S. Prasad | Assistant General Manager, Andhra Bank |
| 12. Sri. Anil Kumar Jha | Deputy Zonal Manager, Bank of India |
| 13. Sri. Rajneesh Trivedi | Chief Manager, Bank of Baroda |
| 14. Sri. Prasanth K | Chief Manager, Dena Bank |
| 15. Sri. Haleelulla S | Chief Manager, Vijaya Bank |
| 16. Sri. Krishna Kumar P. G. | Chief Manager, UCO Bank |
| 17. Sri. R. Rajesh | Senior Manager, Bank of India |
| 18. Sri. Basanth V | Senior Manager, Oriental Bank of Commerce |
| 19. Sri. D. Ravisankar | Senior Manager, Syndicate Bank |
| 20. Sri. E. V. Sudhakaran | Senior Manager, United Bank of India |
| 21. Smt. Yamini S. Kumar | Branch Manager, Bank of Maharashtra |
| 22. Sri. Ranjith M | Assistant Manager, Indian Overseas Bank |
| 23. Sri. Arjun Patil | Agri. Finance Officer, Central Bank of India |

CONVENOR BANK (CANARA BANK)

- | | |
|----------------------------|----------------------------------|
| 1. Sri. N. Sivasankaran | Convenor, SLBC & General Manager |
| 2. Sri. Ravindra Bhandary | General Manager |
| 3. Smt. G. K. Maya | Deputy General Manager |
| 4. Sri. Nair Ajit Krishnan | Deputy General Manager |
| 5. Sri. V. S. Santosh | Divisional Manager |
| 6. Sri. G. Nandakumar | Senior Manager |
| 7. Smt. Anila J. Andrews | Officer |
| 8. Smt. Nisha V. L | Officer |

REGIONAL RURAL BANK

- | | |
|---------------------------|------------------------------|
| 1. Sri. Ravikrishnan M. K | Chairman, Kerala Gramin Bank |
|---------------------------|------------------------------|

PRIVATE SECTOR BANKS

- | | |
|-----------------------------|---|
| 1. Sri. Jose V Joseph | Executive Vice President, Federal Bank |
| 2. Sri. P. B. Krishnadas | Deputy General Manager, South Indian Bank |
| 3. Sri. Rajish Kalapurayil | Deputy General Manager, ICICI Bank |
| 4. Sri. Sreekumar M. P | Assistant General Manager, Dhanlaxmi Bank |
| 5. Sri. V. Varghese | Zonal Manager, Catholic Syrian Bank |
| 6. Sri. Thomas P. Mathew | Assistant Vice President, Federal Bank |
| 7. Sri. Jithesh Janardhanan | Assistant Vice President, HDFC Bank |
| 8. Sri. Hari Sankar S | Assistant Vice President, Indus Ind Bank] |
| 9. Sri. N. Murugesu Pandi | Chief Manager, Tamilnad Mercantile Bank |
| 10. Sri. Anunath G | Regional Manager, Karnataka Bank |
| 11. Sri. Tony Thomas | Regional Coordinator, ICICI Bank |
| 12. Sri. Balu G | Senior Manager, Karur Vysya Bank |
| 13. Sri. Chandrakant Kamath | Manager, Axis Bank |
| 14. Sri. Madhusoodana Sarma | Branch Head, Lakshmi Vilas Bank |
| 15. Sri. K. Nithyanandam | Assistant Manager, City Union Bank |
| 16. Sri. T. Bharath | Assistant Manager, Tamilnad Mercantile Bank |

CO-OPERATIVE BANKS

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|-------------------------|---|
| 1. Sri. V. Muralidharan | General Manager, Kerala State Co-operative Bank |
| 2. Sri. Sharabudeen S M | ADM, KSCARD Bank |

LEAD BANK OFFICES

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|---------------------------------|-------------------------------------|
| 1. Sri. Abraham Shaji John | LDM, IOB, Trivnadrum |
| 2. Sri. A. Padmakumar | LDM, Indian Bank, Kollam |
| 3. Sri. Vijayakumaran V | LDM, SBI, Pathanamthitta |
| 4. Sri. Vidyadharan Namboothiri | LDM, SBI, Alappuzha |
| 5. Sri. Chandrasekharan C. V | LDM, SBI, Kottayam |
| 6. Sri. M. V. Kunhi Kannan | LDM, Union Bank of India, Idukki |
| 7. Sri. C. Satish | LDM, Union Bank of India, Ernakulam |
| 8. Sri. R. R. Kanakambaran | LDM, Canara Bank, Thrissur |
| 9. Sri. P. Joseph Sam | LDM, Canara Bank, Palakkad |
| 10. Sri. K. Abdul Jabbar | LDM, Canara Bank, Malappuram |
| 11. Sri. Sunil P. L. | LDM, Canara Bank, Kozhikode |
| 12. Smt. M. D. Shyamala | LDM, Canara Bank, Wayanad |
| 13. Sri. Mukundan N. B | LDM, Syndicate Bank, Kannur |
| 14. Sri. C. S. Remanan | LDM, Syndicate Bank, Kasaragod |