

**STATE LEVEL BANKERS' COMMITTEE : KARNATAKA**  
**Convenor – SYNDICATE BANK : CORPORATE OFFICE : BENGALURU**

**MINUTES OF THE MEETING OF SPECIAL SLBC &  
FIRST STATE LEVEL FINANCIAL INCLUSION COMMITTEE (SLFIC)  
HELD ON 17.05.2016**

The Meeting of Special SLBC was convened to discuss on drought relief measures undertaken by Banks on 17<sup>th</sup> May 2016 at the Conference Hall, Vidhana Soudha, Bengaluru under the Chairmanship of Sri Arun Shrivastava, Managing Director & Chief Executive Officer, Syndicate Bank and along with this, the First State Level Financial Inclusion Committee Meeting was also held to discuss on the issues on Financial Inclusion, which was co-chaired by the Chief Secretary, GoK.

The Chairman-SLBC extended warm and hearty welcome to Sri Aravind Jadhav, Chief Secretary, GoK; Smt Latha Krishna Rao, Addl. Chief Secretary and Dev. Commissioner : GoK; Sri Eugene E Karthak, Regional Director : RBI, Sri M.I. Ganagi, Chief General Manager : NABARD & Smt Mudita Mishra, Director : DFS : MoF: GoI. He also extended cordial welcome to Principal Secretaries, Secretaries to Govt of Karnataka, Senior Executives from Reserve Bank of India and NABARD, Senior Officers from the State Govt, representing various Line Departments, Senior Executives from Commercial Banks, Co-op. Banks, Chairmen of RRBs, other Financial Institutions, UIDAI, General Insurance Companies, & other participants present in the meeting.

**Sri Arun Shrivastava, Managing Director & Chief Executive Officer, Syndicate Bank** in his key note address informed that this Special SLBC meeting is convened as per the request of Govt of Karnataka to discuss on drought relief measures extended by Banks. In pursuance of the directions of the Hon'ble Chief Minister during 132<sup>nd</sup> SLBC meeting, the GoK & SLBC have initiated steps for providing relief measures to the distressed farmers in all the 137 taluks where drought has been declared. Banks have organized counseling camps involving District Administration, connected Line Departments, RBI, NABARD and other stake holders.

In addition, the Chief Secretary had also convened a special bankers meeting to discuss on the issue and work out strategy for providing relief measures. Further, SLBC had convened LDMs Conference on 8.8.2015 and 4.11.2015 to have threadbare discussion wherein all the LDMs were advised to organize counseling camps and handhold the farmers in distress. Accordingly, LDMs had organized counseling camps, wherein the top executives of RBI/NABARD/Banks had participated and also convened special DCC meetings in this regard.

He expressed his concern for the luke warm response from the farmers on the relief measures offered to the distressed Pomegranate & Grape growers by the Banks by waiving the penal and compound interest of the loan a/cs provided the remaining amount is paid by the affected growers and also to the One Time Settlement (OTS) Schemes formulated by all the Banks which is more beneficial to them. Hence, he requested the Dept of Horticulture to give wide publicity amongst the farmers and induce farmers to avail the benefit.

He expressed his happiness on Banks having distributed input subsidy etc., to more than 30 lacs farmers without any hassles keeping in view the difficulties faced by the farming community. Banks have also geared up for effective implementation of Prime Minister Fasal Bima Yojana for this ensuing Kharif Season by covering maximum farmers.

He further informed that the banks have converted 397029 Crop Loan / Kisan Credit Card a/cs into Term Loan involving ₹ 4124.37 cr; restructured / rescheduled 93225 Agricultural Term Loan a/cs involving ₹ 2244.64 cr. Apart from this, the Banks have provided 36344 fresh Crop Loan / Kisan Credit Card to the extent of ₹ 583.63 cr and fresh agricultural term loans of 13235 a/cs involving ₹ 184.20 cr. as a relief measure extended in drought affected areas.

He expressed his concern over the issue of farmers not coming forward to execute the necessary loan documents to avail the benefit of Rephasement / restructure of loans and also to save limitation of documents due to law of limitation though the Banks are ready to provide relief. In this regard, he sought the intervention of the Govt to address the issue.

He appealed to all the bankers to ground the applications received under all the Govt Sponsored Schemes which will benefit the economically back ward section of the society.

While concluding his address, he assured the House that all the Banks are with the State Govt and work for mitigating the distress of the farming community.

**Sri Aravind Jadhav, Chief Secretary, GoK** addressed the House and in the absence of the Hon'ble Chief Minister, read out the highlights of his message. He referred to the severity of the drought situation in States of Karnataka, Maharashtra & Uttar Pradesh and shared his experience. Under the circumstances, the GoK has taken relief measures to mitigate the water crisis by water conservation, recycling, recharging and avoiding over exploitation of water tables. The Govt has also taken lot of measures for employment generation in the drought affected areas. He suggested to provide insurance for the investments made by the farmers and create an opportunity for farmers to get better price for their produce to enable them to repay the loans availed for the said purpose.

Further he apprised the house that crops loss during the Khariff 2015 was estimated at ₹ 15,635 cr and during Rabi Rs 7000 cr. The crop losses could have been reduced if the crop cutting experiments were done and processed in time. He also informed that ₹ 600 cr Khariff insurance claims are still pending for reimbursement. Hence, he suggested for proper documentation and time bound programme to achieve the purpose of providing benefits of insurance to farmers.

He stressed the Bankers for issuance of RuPay Card and its activation on top priority for the benefit of the farmers. Further, he requested the Bankers to retain all their farm loan customers with them by providing necessary assistance and not to allow them to approach non-banking institutions / money lenders.

He thanked all the Bankers on behalf of the Chief Minister for extending cooperation in providing relief measures to the distressed farmers.

Thereafter, **Smt Latha Krishna Rao, Addl. Chief Secretary & Dev. Commissioner, GoK** in her address informed that 30 to 35 lakh farmers have only been covered with Banks finance out of 75 lakh farmers in the State and still 40 lakh farmers are to be covered for financing by the Banks. She requested the Banks to assist them in the next Kharif season. She observed that the CD Ratio of the State is 75% and remains static for the last two years. The per farmer quantum of loan extended to agriculture and horticulture remains very low when compared to other States. She appreciated the efforts of NABARD in upward revision of scale of finance in a realistic manner, which will enable to increase per farmer lending to the farmers.

