


<p>ಕಾರ್ಪೊರೇಷನ್ ಬ್ಯಾಂಕ್ ಕಾರ್ಪೊರೇಷನ್ ಬ್ಯಾಂಕ್, CORPORATION BANK, ಲೀಡ್ ಬ್ಯಾಂಕ್ ಆಫೀಸ್ ಲೀಡ್ ಬ್ಯಾಂಕ್ ಕಛೇರಿ LEAD BANK OFFICE, ಮಡಿಕೇರಿ ಮಡಿಕೇರಿ. MADIKERI .</p>		<p>ಕಾರ್ಪೊರೇಷನ್ ಬ್ಯಾಂಕ್ ಬಿಲ್ಡಿಂಗ್ ಕಾರ್ಪೊರೇಷನ್ ಬ್ಯಾಂಕ್ ಕಟ್ಟಡ CORPORATION BANK BUILDING , ಪಹಲಾ ಅಂತಸ್ಥ, ಕಾಲೇಜ್ ರಾಸ್ತಾ ಮೊದಲನೇ ಮಹಡಿ, ಕಾಲೇಜ್ ರಸ್ತೆ. 1st Floor ,College Road , ಮಡಿಕೇರಿ - 571 201 ಮಡಿಕೇರಿ - 571 201. MADIKERI - 571 201.</p>
<p>(Phone : 08272 225760 (O) 223922 (R) Fax : 08272 229002) E Mail : cb972@corpbank.co.in LBO / MDK / SPL DCC MEETING -3/2018 Date : 03- 10 -2018</p>		

To

All the members of DCC, Kodagu District.

Dear Sir,

Sub: Special DCC meeting held on 03.10.2018 – Relief measures on account of recent Natural calamity in Kodagu District.

~~~~~

- 1) Based on the decisions of SLBC meeting held on 29.09.2018 and the GOK order no. 207/2018 dated 29.09.2018, a special DCC meeting was held on 03.10.2018 at Lead Bank Office, Madikeri in the Chairmanship of Shri Prashant Kumar Misra, I,A,S., CEO, Zilla Panchayat to decide about the relief measures to be extended to the loanee farmers and other borrowers of the banks in Kodagu district with reference to the *RBI Master circular No. FIDD.CO.FSD.BC.No.8/05.10.001/2017-18 dt 03.07.2017*.
- 2) It is discussed and adopted the following relief measures to be implemented by all Commercial Banks, Cooperatives and RRBs with immediate effect.
- 3) The measures adopted by RRBs and Coop Banks are based on the guidelines of NABARD Cir No. 72/DOR/18/2018 DT 11.04.18.
- 4) These measures are to be made applicable **for all three taluks of the district.**
- 5) The District administration confirmed that the crop loss and loss in other sectors is above 50%.
- 6) **June 30<sup>th</sup>, 2018** is reckoned as the date of reference for deciding the eligibility of loans for extending various relief measures. The restructuring and moratorium permitted under these guidelines shall be made effective from THE SAID DATE.
- 7) Specific request for restructuring must be obtained from the borrower.
- 8) Application for fresh / additional loans in eligible cases is to be submitted to the bank branch within **28.02.2019**.
- 9) In case of crop loans, applications for fresh loan have to be submitted within the next cropping season for taking appropriate credit decision based on the cropping pattern and acreage within a month from the receipt of the application.
- 10) **Consumption loans up to Rs10000** to be extended to those people who lost their income generating units/activities during this natural calamity.
- 11) The process of Restructuring/ Rephasement / Reschedulement of **all loans** which are **standard on the date of reference** should be completed by **28.12.2018** ( 90 days from the date of Gov Order) since the relevant RBI circular says that the process of restructuring need to be completed within 90 days from the date of natural calamity. Hence, DCC has taken a decision to request RBI to grant an extension of 90 more days from the date of Gov Order which being 29.09.2018.
- 12) **Loan accounts** under **all activities** which are standard accounts and current dues/installments only are eligible for rephasement but **NPA, overdue accounts and overdue installments are not eligible** for getting these relief measures.

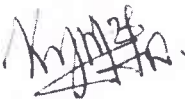


**Salient features of Relief Measures applicable to Kodagu District:**

- 1) **Crop Loans**: All standard crop loans on the reference date shall be converted into Term Loan with a repayment period of 5 years with yearly installments including an initial moratorium of one year. NPA and overdue accounts are not eligible for conversion. Fresh crop loan shall be given for the existing acreage and cropping pattern based on the existing scale of finance.
- 2) **Term Loans where crops only damaged**: Moratorium of one year shall be extended to all standard term loans on the date of reference and accordingly, the installments will be postponed by one year. The overdue installments to be recovered.
- 3) **Term loans where both crop and productive assets damaged**: Moratorium for a minimum of one year to be extended. Rescheduling period to be set based on overall repayment capacity of the borrower vis-a-vis his total liability. (Maximum extension by 5 years)
- 4) **Working capital limits** can be converted into WCTL with a maximum repayment period of 36 months with a moratorium up to one year.
- 5) **Term loans** shall be extended with a moratorium of one year.
- 6) **Housing loans**: Need based moratorium up to one year shall be extended. Need based top up loan for house repair/reconstruction shall be given.
- 7) **For loans under all categories**, shall be given a moratorium up to one year as all the activities in the district were affected by natural calamity.
- 8) **Fresh/additional loans** to be given to all income generating activities if taken up by the affected people based on the projected income.
- 9) **General aspects**: Credit should not be denied for want of personal guarantees. The fresh loan shall be granted even if the value of security is less than the loan amount including new loan. For fresh loans, a sympathetic view will have to be taken. Bank should be content with a second charge for the converted term loan. Banks should not insist on third party guarantee for providing conversion facility. Margin requirements may be waived or the grant/subsidy given by the concerned State/Central government may be considered as margin.
- 10) Banks may consider extension of **concessional rate of interest** to calamity affected people. No penal interest shall be charged. The banks should also suitably defer the compounding of interest and consider waiving of penal interest, if any, already charged in respect of the loans converted/rescheduled.
- 11) **Relaxation of KYC norms**: A small account shall be opened based on the photograph and signature/thumb impression rendered in front of the bank official in the absence of KYC documents which might have been lost due to calamity. However, these instructions are applicable to such cases where balance in the account does not exceed Rs50000 or the amount of relief granted (if higher) and the total credit in the account does not exceed Rs1,00,000 or the amount of relief granted (if higher) in a year.

We request all the members of DCC committee to follow the RBI Master Circular No. FIDD.CO.FSD.BC.No.8/05.10.001/2017-18 dt 03.07.2017 for reference if any. All the bankers in the district are requested to extend the relief measures to their respective customers in order to expedite completion of the process within the stipulated time frame and also to pass on the benefits to all the borrowers during this distress time.

Yours faithfully,



[Lead District Manager]  
Kodagu District

