

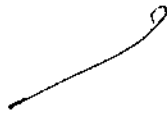
**പതിനാലാം കേരള നിയമസഭ**  
**പതിമൂന്നാം സമ്മേളനം**

നക്ഷത്രചിഹ്നമിടാത്ത ചോദ്യം നം. 2586

06/12/2018-ൽ മറുപടിയ്ക്ക്

**കേരള ബാങ്ക് രൂപീകരണ ഉത്തരവുകൾ**

ചോദ്യം		മറുപടി	
	<b>ശ്രീ.പി.സി. ജോർജ്</b>		<b>ശ്രീ. കടകംപള്ളി സുരേന്ദ്രൻ (സഹകരണവും വിനോദസഞ്ചാരവും ദേവസ്യവും വകുപ്പ് മന്ത്രി)</b>
(എ)	കേരള ബാങ്ക് തുടങ്ങുന്നതിനായി കേന്ദ്രസർക്കാരിന്റെ അനുമതി ലഭിച്ചിട്ടുണ്ടോ; എങ്കിൽ കേന്ദ്ര സർക്കാരിന്റെയും ആർ.ബി.ഐ. യുടെയും അനുമതി ഉത്തരവുകളുടെ പകർപ്പുകൾ ലഭ്യമാക്കുമോ;	(എ)	ആർ.ബി.ഐ.യുടെ തത്വത്തിലുള്ള അനുമതി ലഭിച്ചിട്ടുണ്ട്. ആർ.ബി.ഐ. ചീഫ് ജനറൽ മാനേജരുടെ 3.10.2018-ലെ DCBR.CO.RCBD. NO.1007/19.51.007/2018-19 നമ്പർ കത്തിന്റെ പകർപ്പ് അനുബന്ധമായി ഉള്ളടക്കം ചെയ്തിരിക്കുന്നു.
(ബി)	കേരള ബാങ്ക് തുടങ്ങുമ്പോൾ സഹകരണമേഖലയിലെ മറ്റ് ബാങ്കുകൾക്ക് ഉണ്ടാകുന്ന പ്രശ്നങ്ങളെപ്പറ്റി ഏതെങ്കിലും പഠനം നടത്തിയിട്ടുണ്ടോ; എങ്കിൽ പ്രസ്തുത പഠന റിപ്പോർട്ട് ലഭ്യമാക്കുമോ?	(ബി)	ഇല്ല. കേരള ബാങ്ക് രൂപീകരിക്കപ്പെടുമ്പോൾ സഹകരണമേഖലയുടെ സർവ്വതോന്മുഖമായ വികസനവും വളർച്ചയും ഉണ്ടാകുമെന്നാണ് കണക്കുകൂട്ടിയിട്ടുള്ളത്.



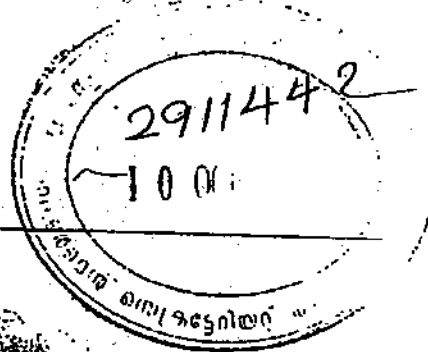
  
സെക്ഷൻ ഓഫീസർ

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भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA

www.rbi.org.in



मुख्य महाप्रबंधक  
Chief General Manager

DCBR.CO.RCBD.No.1007/19.51.007/2018-19

By Speed Post

The Chief Secretary  
Government of Kerala  
Secretariat  
Thiruvananthapuram - 695001



October 03, 2018

Dear Sir,

Delayering of Short-Term Co-operative Credit Structure (STCCS)- Amalgamation of Fourteen District Central Co-operative Banks (DCCBs) with Kerala State Co-operative Bank (KStCB)

Please refer to your DO letter No: Co-op - B2/633/2017/ Co-op dated August 31, 2017 requesting "in principle" approval for amalgamation of 14 DCCBs of Kerala with Kerala State Co-operative Bank (KStCB). We also invite reference to the correspondence resting with your letter No. Co-Op-B2/378/2018 dated August 6, 2018 on the subject.

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2. In this connection, we advise that, keeping in view the State Government's commitment to address the various financial, regulatory and governance issues raised by us, we are pleased "in-principle" to the proposal of Government of Kerala to amalgamate the 14 DCCBs with the KStCB. However, our final approval, and consequential licensing of the branches of the DCCBs as KStCB branches is contingent on prior fulfilment of conditions indicated in the annex to this letter and such additional conditions as NABARD may impose.

3. We further advise that the KStCB may approach RBI through NABARD for final approval with the status of compliance on all the applicable conditions for amalgamation.

4. The process may be completed before March 31, 2019.

Yours faithfully,

*Neeraj Nigam*  
(Neeraj Nigam)  
Chief General Manager  
Encl: As above

Fax

**Annex**

**Conditions for grant of "in-principle" approval for amalgamation of 14 DCCBs In Kerala with Kerala State Co-operative Bank Ltd. (KStCB)**

- (i) The due process as required under the provisions of the State Cooperative Societies Act and the State Cooperative Societies Rules as adopted by the Kerala Government shall be followed. At every stage the provisions of the Kerala Co-operative Societies Act must be complied with.
- (ii) Government of Kerala shall verify that there are no Court Orders prohibiting or staying the proposal for amalgamation of the 14 DCCBs with KStCB.
- (iii) A scheme of amalgamation has to be prepared by the KStCB and the DCCBs are to present the same to their members and creditors.
- (iv) A resolution passed by a two third majority of the members present and voting at a General Body meeting of StCB and each DCCBs shall be a pre-requisite for amalgamation for StCB and all DCCBs.
- (v) A MOU shall be executed between the constituents i.e. all 14 DCCBs, KStCB and Government of Kerala covering issues of governance structure, management, manpower/HR issues, amicable solution of asset and liabilities of each bank to KStCB.
- (vi) The share capital of the KStCB has to be strengthened so as to ensure sustained net worth of the bank and ongoing compliance with capital regulations post-merger. The amalgamated entity shall strictly adhere to the CRAR norms of RBI for cooperative banks. The shortfall in capital or additional capital, if any, for meeting CRAR, net worth etc. shall be met by State Government on an ongoing basis.
- (vii) The balance sheet of the amalgamated bank should meet with the regulatory requirements laid down for grant of various permissions/approvals so that none of the services (being provided by the DCCBs) are jeopardized. The required permissions for the said services may be obtained, if required, before the actual functioning of the amalgamated entity.
- (viii) The impaired assets due to frauds, misappropriation etc. have to be fully provided for.
- (ix) The valuation of assets and liabilities have to be reviewed for all banks, including KStCB. Once the valuation is completed, the loss assets have to

