



ಸೌಹಾರ್ದ ಪಟ್ಟಣ ಸಹಕಾರಿ
ಬ್ಯಾಂಕುಗಳ ಸಿಬ್ಬಂದಿಯವರಿಗಾಗಿ 7 ದಿನಗಳ

“ಬೇಸಿಕ್ ಬ್ಯಾಂಕಿಂಗ್ ಸರ್ವಿಫಿಕೇಟ್ ಕೋರ್ಸ್” (9ನೇ ತಂಡ)

ದಿನಾಂಕ : 01.07.2025 ರಿಂದ 07.07.2025 ರವರೆಗೆ.

ಸ್ಥಳ : ಪ್ರಾದೇಶಿಕ ಸಹಕಾರ ಅಡಳಿತ ನಿರ್ವಹಣಾ ಸಂಸ್ಥೆ,
ಪದ್ಮನಾಭನಗರ, ಬೆಂಗಳೂರು.

ಅಧ್ಯಯನ ಸಾಹಿತ್ಯ



ಕರ್ನಾಟಕ ರಾಜ್ಯ ಸೌಹಾರ್ದ ಸಂಯುಕ್ತ ಸಹಕಾರಿ ನಿ., ಬೆಂಗಳೂರು.

“ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಸೌಧ”, ನಂ.68, 18ನೇ ಅಡ್ಡರಸ್ತೆ, ಮಾರ್ಗೋಪಾ ರಸ್ತೆ,
ಮಲ್ಲೇಶ್ವರ, ಬೆಂಗಳೂರು-560055 ದೂ : 080-23378375-80, ವೆಬ್ ತಾಣ : www.Souharda.coop

ಕರ್ನಾಟಕ ರಾಜ್ಯ ಸೌಹಾರ್ದ ಸಂಯುಕ್ತ ಸಹಕಾರಿಯ ಧ್ಯೇಯ, ದೃಷ್ಟಿ ಹಾಗೂ ಮೌಲ್ಯಗಳು

- ಧ್ಯೇಯ** : ಸ್ವಾಯತ್ತತೆ, ಸ್ವಯಂ ಆಡಳಿತ, ಸ್ವಯಂ ನಿಯಂತ್ರಣದ ಜೊತೆಗೆ
ವೃತ್ತಿಪರ, ಪಾರದರ್ಶಕ ಹಾಗೂ ಉತ್ತರದಾಯಿತ್ವದ ಸೌಹಾರ್ದ ಸಹಕಾರಿ
ವ್ಯವಸ್ಥೆಯ ನಿರ್ಮಾಣ.
- ದೃಷ್ಟಿ** : ಸ್ವಾಯತ್ತ, ಸಾಮಾಜಿಕ ಬದ್ಧತೆ, ಸಕಾರಾತ್ಮಕ ಚಿಂತನೆ,
ಅಭಿವೃದ್ಧಿಪರ ವಿಶ್ವಮಾದರಿ ಸಹಕಾರಿ ಸಂಸ್ಥೆಯಾಗಿ
ಕಾರ್ಯನಿರ್ವಹಿಸುವುದು.
- ಮೌಲ್ಯಗಳು** : ಜ್ಞಾನ, ಸೇವೆ, ಬದ್ಧತೆ, ಭಾಗವಹಿಸುವಿಕೆ, ಉತ್ತರದಾಯಿತ್ವ.

Karnataka State Souharda Federal Vision , Mission and Values

Vision : Our vision is to emerge as world class model
Cooperative by our Statutory, educational, training,
research and development activities.

Mission : Our mission is to contribute to build a strong
cooperative system which works on Autonomous,
Professional, Transparent , Accountable & Economic
viability.

Values : Our values are : Service - Knowledge-
commitment-involvement & Accountability

ಕರ್ನಾಟಕ ರಾಜ್ಯ ಸೌಹಾರ್ದ ಸಂಯುಕ್ತ ಸಹಕಾರಿ ನಿ.,
ಬೆಂಗಳೂರು



ಸ್ವಾಯತ್ತತೆ, ಸ್ವಯಂ ಆಡಳಿತ, ಸ್ವಯಂ ನಿಯಂತ್ರಣ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ
ಧ್ಯೇಯ

ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್‌ಗಳ
ಸಿಬ್ಬಂದಿಯವರಿಗಾಗಿ 7 ದಿನಗಳ
ಬೇಸಿಕ್ ಬ್ಯಾಂಕಿಂಗ್ ಸರ್ವಿಫಿಕೇಟ್ ಕೋರ್ಸ್

ಅಧ್ಯಯನ ಸಾಹಿತ್ಯ

ದಿನಾಂಕ 01.07.2025 ರಿಂದ 07.07.2025 ರವರೆಗೆ.

ಸ್ಥಳ : ಪ್ರಾದೇಶಿಕ ಸಹಕಾರ ಆಡಳಿತ ನಿರ್ವಹಣಾ ಸಂಸ್ಥೆ,
ಪದ್ಮನಾಭನಗರ, ಬೆಂಗಳೂರು.

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ವಿಶೇಷ ಸೂಚನೆ : ಸಂಪನ್ಮೂಲ ವ್ಯಕ್ತಿಗಳ ಹೆಚ್ಚುವರಿ ಅಧ್ಯಯನ ಸಾಹಿತ್ಯವನ್ನು ಶಿಬಿರದಲ್ಲಿ ಪ್ರತ್ಯೇಕವಾಗಿ ವಿತರಿಸಲಾಗುವುದು.

-: ಮೊದಲ ಮಾತು :-

ಆತ್ಮೀಯ ಸಹಕಾರಿ ಬಂಧುಗಳೇ,

2025ನೇ ಸಾಲಿನಲ್ಲಿ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳ ಸಿಬ್ಬಂದಿಯವರಿಗಾಗಿ ಏರ್ಪಡಿಸಿರುವ 7 ದಿನಗಳ “ಬೇಸಿಕ್ ಬ್ಯಾಂಕಿಂಗ್ ಸರ್ಟಿಫಿಕೇಟ್ ಕೋರ್ಸ್”ನಲ್ಲಿ ಪಾಲ್ಗೊಳ್ಳಲು ಆಗಮಿಸಿರುವ ತಮ್ಮೆಲ್ಲರಿಗೂ ಶುಭಕೋರುತ್ತೇನೆ. ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳ ಪದಾಧಿಕಾರಿಗಳು, ನಿರ್ದೇಶಕರುಗಳು ಹಾಗೂ ಮುಖ್ಯಕಾರ್ಯನಿರ್ವಾಹಕರುಗಳಿಗಾಗಿ ಪ್ರತಿವರ್ಷ ಹಲವಾರು ತರಬೇತಿ ಕಾರ್ಯಕ್ರಮಗಳನ್ನು ಸಂಯುಕ್ತ ಸಹಕಾರಿಯು ಹಮ್ಮಿಕೊಳ್ಳುತ್ತ ಬಂದಿದೆ. ಸಂಯುಕ್ತ ಸಹಕಾರಿಯು ನಡೆಸುತ್ತಿರುವ ತರಬೇತಿ ಕಾರ್ಯಕ್ರಮಗಳು ವಿಭಿನ್ನ ರೀತಿಯಲ್ಲಿ ನಡೆಯುವಂತಾಗಬೇಕು ಇದಕ್ಕೊಂದು ಮಹತ್ವದ ಸರ್ಟಿಫಿಕೇಟ್ ನೀಡುವಂತಿರಬೇಕು ಎಂದು ಅನೇಕ ಸಹಕಾರಿಗಳು ಹಾಗೂ ಅಧಿಕಾರಿಗಳು ನೀಡುತ್ತಿರುವ ಅಭಿಪ್ರಾಯದ ಹಿನ್ನೆಲೆಯಲ್ಲಿ ಸಿಬ್ಬಂದಿಯವರಿಗಾಗಿ ಈ ಸರ್ಟಿಫಿಕೇಟ್ ಕೋರ್ಸ್‌ನ್ನು ಪ್ರಾರಂಭಿಸಲಾಗಿದೆ.

ಸ್ನೇಹಿತರೇ,

01 ಜನವರಿ 2025ಕ್ಕೆ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕಾಯ್ದೆ ಜಾರಿಗೆ ಬಂದು 25 ವರ್ಷಗಳಾಗಿದೆ. ರಾಜ್ಯದಾದ್ಯಂತ 17 ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳು ಸೇರಿದಂತೆ 31 ಮೇ 2025ರ ಅಂತ್ಯಕ್ಕೆ 6514 ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಸಂಸ್ಥೆಗಳು ನೋಂದಣಿಯಾಗಿವೆ. ರಾಜ್ಯದ ಸಹಕಾರಿಗಳ, ಸಾರ್ವಜನಿಕರ ಹಾಗೂ ಸರಕಾರದ ಪ್ರಶಂಸೆಗೆ ಪಾತ್ರವಾಗಿವೆ. ಸಹಕಾರಿ ಕ್ಷೇತ್ರದಲ್ಲಿ ತಮ್ಮ ಸೇವೆಯನ್ನು ನೀಡುವ ಮೂಲಕ ಹೊಸ ಸಿಂಚನವನ್ನು ಮೂಡಿಸಿವೆ. ಸಹಕಾರಿ ಕ್ಷೇತ್ರದ ಅಭಿವೃದ್ಧಿಯಲ್ಲಿ ಮಹತ್ವದ ಪಾತ್ರವನ್ನು ನಿರ್ವಹಿಸುತ್ತವೆ ಎಂಬ ಬಗ್ಗೆ ಆಶಯವನ್ನು ಮೂಡಿಸಿವೆ. ಈ ಕ್ಷೇತ್ರದ ಪ್ರಗತಿಗೆ ಶ್ರಮಿಸಿದ ಪ್ರತಿಯೊಬ್ಬ ಸಹಕಾರಿಯು ಅಭಿನಂದನೆಗೆ ಅರ್ಹರು ಎಂಬುದು ನನ್ನ ಮುಕ್ತ ಕಂಠದ ನುಡಿ.

ಏಳು ದಿನಗಳ ಕಾಲ ನಡೆಯುವ ಈ ಕೋರ್ಸಿನಲ್ಲಿ ಪ್ರತಿಯೊಬ್ಬ ಸಂಪನ್ಮೂಲ ವ್ಯಕ್ತಿಗಳು ನೀಡುವ ಉಪನ್ಯಾಸ ಆದರಿಸಿ ಪ್ರಶ್ನೆಗಳನ್ನು ಆಯ್ಕೆಮಾಡಿ ಕೊನೆಯ ದಿನದಂದು 01 ಗಂಟೆಗಳ ಅವಧಿಯಲ್ಲಿ 100 ಅಂಕಗಳ ಪರೀಕ್ಷೆಯನ್ನು ನಡೆಸಲಾಗುತ್ತದೆ. ಪರೀಕ್ಷೆ ಆದ ನಂತರ ಉತ್ತರ ಪತ್ರಿಕೆಗಳನ್ನು ಮೌಲ್ಯಮಾಪನ ಮಾಡಿ, ಭಾಗವಹಿಸಿದ ಪ್ರತಿನಿಧಿಗಳಿಗೆ ಪ್ರಮಾಣ ಪತ್ರವನ್ನು ನೀಡಲಾಗುತ್ತದೆ. ಒಂದು ಪಟ್ಟಣ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್‌ನ ಕಾರ್ಯನಿರ್ವಹಣೆಯಲ್ಲಿ ಎಲ್ಲಾ ಮೂಲಭೂತ ವಿಷಯಗಳನ್ನು ಅರಿತುಕೊಂಡು ಉತ್ತಮ ಮಾನವ ಸಂಪನ್ಮೂಲವಾಗಿ, ಪರಿಣಾಮಕಾರಿಯಾಗಿ ಕಾರ್ಯನಿರ್ವಹಿಸುವಂತೆ ಪರಿವರ್ತನೆಗೆ ಪ್ರಯತ್ನಿಸುವುದೇ ಈ ಕೋರ್ಸಿನ ವೈಶಿಷ್ಟ್ಯ. ಈವರೆಗೆ 08 ತಂಡಗಳಲ್ಲಿ 436 ಸಿಬ್ಬಂದಿಗಳು ತರಬೇತಿಯನ್ನು ಪಡೆಯುವ ಮೂಲಕ ಪ್ರಯೋಜನ ಪಡೆದಿದ್ದಾರೆ. ಪ್ರಸ್ತುತ 9ನೇ ತಂಡದ ಕೋರ್ಸ್ ಇದಾಗಿದ್ದು, ಇನ್ನೂ ಹೆಚ್ಚಿನ ಬ್ಯಾಂಕಿಂಗ್ ಸಿಬ್ಬಂದಿಗಳು ಈ ತರಬೇತಿಯ ಪ್ರಯೋಜನ ಪಡೆದುಕೊಳ್ಳಬೇಕೆಂಬುದು ಸಂಯುಕ್ತ ಸಹಕಾರಿಯ ಆಶಯವಾಗಿದೆ.

ಉತ್ತಮ ಪರಿಸರದಲ್ಲಿ ತರಬೇತಿಯನ್ನು ಆಯೋಜಿಸಲಾಗಿದೆ. ನುರಿತ ತಜ್ಞರ ಸಲಹೆಯನ್ನಾಧರಿಸಿ ಉತ್ತಮ ವಿಷಯಗಳನ್ನು, ಪ್ರಾಯೋಗಿಕ ಚಟುವಟಿಕೆಗಳನ್ನು ಪಠ್ಯಕ್ರಮದಲ್ಲಿ ಅಳವಡಿಸಲಾಗಿದೆ. ಉತ್ತಮ ಅಧ್ಯಯನ ಸಾಹಿತ್ಯವನ್ನು ಒದಗಿಸಲಾಗಿದೆ. ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳು ಸಹಕಾರಿ ಕ್ಷೇತ್ರದ ಉಳಿದೆಲ್ಲ ಬ್ಯಾಂಕುಗಳಿಗಿಂತ ಉತ್ತಮವಾಗಿ ದಕ್ಷತೆಯಿಂದ ತಂತ್ರಜ್ಞಾನದ ಮೂಲಕ ಗ್ರಾಹಕರ ಸೇವೆ ಒದಗಿಸುವಲ್ಲಿ, ಹೊಸ ಹೊಸ ಸೇವೆಗಳನ್ನು ತ್ವರಿತವಾಗಿ ನೀಡುವಲ್ಲಿ ವಾಣಿಜ್ಯ ಬ್ಯಾಂಕುಗಳಿಗಿಂತ ಒಂದು ಹೆಜ್ಜೆ ಮುಂದೆ ಇರಬೇಕೆಂಬುದು ಸಂಯುಕ್ತ ಸಹಕಾರಿಯ ಅಪೇಕ್ಷೆಯಾಗಿದೆ. ಈ ತರಬೇತಿ ಪಡೆದ ಎಲ್ಲಾ ಸಿಬ್ಬಂದಿಗಳು ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳಿಗೆ ಆಧಾರ ಸ್ತಂಭಗಳಾಗಿ ಕಾರ್ಯನಿರ್ವಹಿಸುವಲ್ಲಿ, ಈ ತರಬೇತಿಯು ಪ್ರಯೋಜನಕಾರಿಯಾಗಲಿ ಎಂದು ಹಾರೈಸುತ್ತೇನೆ, ಹಾಗೂ ಸಕ್ರಿಯವಾಗಿ ಭಾಗವಹಿಸಿ ಕಾರ್ಯಕ್ರಮದ ಪೂರ್ಣ ಪ್ರಯೋಜನ ಪಡೆಯಬೇಕೆಂಬುದು ಸಂಯುಕ್ತ ಸಹಕಾರಿಯ ಅಪೇಕ್ಷೆಯಾಗಿದೆ.

ಜಿ. ನಂಜನಗೌಡ

ಅಧ್ಯಕ್ಷರು

ಪಟ್ಟಣ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳ ಸಿಬ್ಬಂದಿಗಳಿಗಾಗಿ ಆಯೋಜಿಸಿರುವ 7 ದಿನಗಳ ಬೇಸಿಕ್ ಬ್ಯಾಂಕಿಂಗ್ ಸರ್ಟಿಫಿಕೇಟ್ ಕೋರ್ಸ್ - ವೇಳಾ ಪಟ್ಟಿ			
ದಿನಾಂಕ 01 ರಿಂದ 07ನೇ ಜುಲೈ 2025ರ ವರೆಗೆ		ಸ್ಥಳ : ಪ್ರಾದೇಶಿಕ ಸಹಕಾರ ಆಡಳಿತ ನಿರ್ವಹಣಾ ಸಂಸ್ಥೆ, ಬೆಂಗಳೂರು	
ದಿನಾಂಕ : 01.07.2025 ಮಂಗಳವಾರ			
ಕ್ರ. ಸಂ	ಸಮಯ	ವಿಷಯಗಳು	ಸಂಪನ್ಮೂಲ ವ್ಯಕ್ತಿಗಳ ಹೆಸರು
1	ಬೆಳಿಗ್ಗೆ 8:00 ರಿಂದ 9:30ರ ವರೆಗೆ		ಉಪಹಾರ
2	ಬೆಳಿಗ್ಗೆ 9:30 ರಿಂದ 10:00ರ ವರೆಗೆ		ನೋಂದಣಿ
3	ಬೆಳಿಗ್ಗೆ 10:00 ರಿಂದ 10:30ರ ವರೆಗೆ		ಉದ್ಘಾಟನೆ
4	ಬೆಳಿಗ್ಗೆ 11:00 ರಿಂದ 11.15ರ ವರೆಗೆ		ಚಹಾ ವಿರಾಮ
5	ಬೆಳಿಗ್ಗೆ 11:15 ರಿಂದ 12:00ರ ವರೆಗೆ	ಶಿಬಿರಾರ್ಥಿಗಳ ಪರಿಚಯ ಹಾಗೂ ಗುಂಪು ರಚನೆ	ತರಬೇತಿ ಉಸ್ತುವಾರಿ ಸಿಬ್ಬಂದಿ
6	ಮಧ್ಯಾಹ್ನ 12:00 ರಿಂದ 1.30ರ ವರೆಗೆ	ಉಪನ್ಯಾಸ -01 : ಸಹಕಾರ ಚಳುವಳಿ, ಪಟ್ಟಣ ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳು ಮತ್ತು ಸೌಹಾರ್ದ ಸಹಕಾರ ಚಳುವಳಿ ನಡೆದು ಬಂದ ದಾರಿ	ಶ್ರೀ ಶರಣಗೌಡ ಜಿ. ಪಾಟೀಲ ಮಾನ್ಯ ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು, ಕೆ.ರಾ.ಸೌ.ಸಂ.ಸ.ನಿ., ಬೆಂಗಳೂರು.
7	ಮಧ್ಯಾಹ್ನ 1.30 ರಿಂದ 2.30 ರವರೆಗೆ		ಭೋಜನ ವಿರಾಮ
8	ಮಧ್ಯಾಹ್ನ 2.30 ರಿಂದ 4.00 ರವರೆಗೆ	ಉಪನ್ಯಾಸ -2 : Banking Payment Systems In India-Electronic- Non Electronic & Format Role of NPCI and CCII Core Banking Solutions-Concept-Systems-Management & Advantages	ಶ್ರೀ ಜಿ.ಪಿ. ಸಾಹುಕಾರ ಮಾನ್ಯ ಸಹ ಪ್ರಧಾನ ವ್ಯವಸ್ಥಾಪಕರು (ನಿ), ಕೆನರಾ ಬ್ಯಾಂಕ್ ಸಿಬ್ಬಂದಿ ತರಬೇತಿ ಸಂಸ್ಥೆ, ಬೆಂಗಳೂರು.
9	ಸಂಜೆ 04.00 ರಿಂದ 04:15ರ ವರೆಗೆ		ಚಹಾ ವಿರಾಮ
10	ಸಂಜೆ 04:15 ರಿಂದ 05:30 ರವರೆಗೆ	ಉಪನ್ಯಾಸ-3 : ಸಹಕಾರ ಕ್ಷೇತ್ರದ ಇತ್ತೀಚಿನ ಬೆಳವಣಿಗೆಗಳು	ಡಾ. ಜಯಪ್ರಕಾಶ್, ಮಾನ್ಯ ಉಪನ್ಯಾಸಕರು, ಆರ್.ಐ.ಸಿ.ಎಂ., ಬೆಂಗಳೂರು
11	ರಾತ್ರಿ 8.30 ರಿಂದ 9:30 ರವರೆಗೆ		ರಾತ್ರಿ ಭೋಜನ
ದಿನಾಂಕ 02.07.2025 ಬುಧವಾರ			
12	ಬೆಳಿಗ್ಗೆ 8:30 ರಿಂದ 9:00 ರವರೆಗೆ		ಉಪಹಾರ
13	ಬೆಳಿಗ್ಗೆ 09.15ರಿಂದ 09.30ರವರೆಗೆ	ತರಬೇತಿ ಪ್ರಾರಂಭಿಕ ಚಟುವಟಿಕೆಗಳು	ತರಬೇತಿ ಉಸ್ತುವಾರಿ ಸಿಬ್ಬಂದಿ
14	ಬೆಳಿಗ್ಗೆ 9:30 ರಿಂದ 11.00 ರವರೆಗೆ	ಉಪನ್ಯಾಸ -04 : Credit Appraisal & Execution of Documents- Appraisal (Technical, Financial, Marketing Management, Analysis) Methods- Pre-Sanction Post sanction documents- Hand agreement, Procedure & Process of Execution Post disbursal and Non Performing Asset	ಶ್ರೀ ಬಿ.ಎಸ್ ಚಂದ್ರಶೇಖರ್ ಮಾನ್ಯ ವ್ಯವಸ್ಥಾಪಕರು(ನಿ) ಎಸ್‌ಬಿಐ ಬ್ಯಾಂಕ್, ಬೆಂಗಳೂರು.
15	ಬೆಳಿಗ್ಗೆ 11.00 ರಿಂದ 11.15 ರವರೆಗೆ		ಚಹಾ ವಿರಾಮ

ಕ್ರ. ಸಂ	ಸಮಯ	ವಿಷಯಗಳು	ಸಂಪನ್ಮೂಲ ವ್ಯಕ್ತಿಗಳ ಹೆಸರು
16	ಬೆಳಿಗ್ಗೆ 11.15 ರಿಂದ 01.30 ರವರೆಗೆ	ಉಪನ್ಯಾಸ-05 : ಬಿ.ಆರ್ ಆಕ್ಟ್ ಪ್ರಾವಿಷನ್ಸ್	ಶ್ರೀ ಬಿ.ಜಿ.ಕುಲಕರ್ಣಿ, ಮಾನ್ಯ ಅಧ್ಯಕ್ಷರು, ಬೋರ್ಡ್ ಆಫ್ ಮ್ಯಾನೇಜ್‌ಮೆಂಟ್, ವಿಕಾಸ್ ಸೌಹಾರ್ದ ಕೋ-ಆಪರೇಟಿವ್ ಬ್ಯಾಂಕ್ ಲಿ., ಬಳ್ಳಾರಿ
17	ಮಧ್ಯಾಹ್ನ 1.30 ರಿಂದ 2.30ರ ವರೆಗೆ		ಭೋಜನ ವಿರಾಮ
18	ಮಧ್ಯಾಹ್ನ 2:30 ರಿಂದ 04.00ರ ವರೆಗೆ	ಉಪನ್ಯಾಸ -06 : Types Deposit Accounts, Account opening DICG Nomination, Deposit of deceased Customer Creation, Account Opening in CBS & Loan Application Forms, Premature Closure, Matured Account.	ಶ್ರೀ ಆರ್.ಎಸ್. ಪ್ರಕಾಶ್ ಮಾನ್ಯ ಉಪ ಪ್ರಧಾನ ವ್ಯವಸ್ಥಾಪಕರು (ನಿ) ಎಸ್.ಬಿ.ಐ. ಬೆಂಗಳೂರು.
19	ಸಂಜೆ 04.00 ರಿಂದ 04:15ರ ವರೆಗೆ		ಚಹಾ ವಿರಾಮ
20	ಸಂಜೆ 04.15ರಿಂದ 05.30ರವರೆಗೆ	ಉಪನ್ಯಾಸ -07 : ಬ್ಯಾಂಕಿಂಗ್ ಪ್ರಚಲಿತ ವಿಷಯಗಳು	ಶ್ರೀ ಮನೋಹರ್ ಮುಷ್ಣಿ, ಮಾನ್ಯ ಸಂಸ್ಥಾಪನಾ ಅಧ್ಯಕ್ಷರು, ಸುಕೋ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಬಳ್ಳಾರಿ
21	ರಾತ್ರಿ 8.30 ರಿಂದ 9:30ರ ವರೆಗೆ		ರಾತ್ರಿ ಭೋಜನ
ದಿನಾಂಕ 03.07.2025 ಗುರುವಾರ			
22	ಬೆಳಿಗ್ಗೆ 8:30 ರಿಂದ 9:00 ರವರೆಗೆ		ಉಪಹಾರ
23	ಬೆಳಿಗ್ಗೆ 09.15ರಿಂದ 09.30ರವರೆಗೆ	ತರಬೇತಿ ಪ್ರಾರಂಭಿಕ ಚಟುವಟಿಕೆಗಳು	ತರಬೇತಿ ಉಸ್ತುವಾರಿ ಸಿಬ್ಬಂದಿ
24	ಬೆಳಿಗ್ಗೆ 9:30 ರಿಂದ 11:00ರವರೆಗೆ	ಉಪನ್ಯಾಸ-08 : ನೆಗೋಶಿಯಬಲ್ ಕಾಯ್ದೆ 1881 ಮುಖ್ಯಾಂಶಗಳು (Negotiable Instruments Act1881)	ಶ್ರೀ ರವಿಸುಧಾಕರ್ ಮಾನ್ಯ ಮುಖ್ಯಕಾರ್ಯನಿರ್ವಾಹಕರು, ಸುಕೋ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಬಳ್ಳಾರಿ
25	ಬೆಳಿಗ್ಗೆ 11.00 ರಿಂದ 11.15 ರವರೆಗೆ		ಚಹಾ ವಿರಾಮ
26	ಬೆಳಿಗ್ಗೆ 11.15 ರಿಂದ 01.30ರವರೆಗೆ	ಉಪನ್ಯಾಸ-09 : Types deposit accounts account opening DICG Nomination, Disposal of deceased customer, Different. Customer creation, Account Opening in CBS & Loan application forms, Premature closure, Matured account. ಮುಂದುವರೆದ ಭಾಗ	ಶ್ರೀ ಆರ್.ಎಸ್. ಪ್ರಕಾಶ್ ಮಾನ್ಯ ಉಪಪ್ರಧಾನ ವ್ಯವಸ್ಥಾಪಕರು (ನಿ) ಎಸ್.ಬಿ.ಐ. ಬೆಂಗಳೂರು.
27	ಮಧ್ಯಾಹ್ನ 1:30 ರಿಂದ 2:30 ರ ವರೆಗೆ		ಭೋಜನ ವಿರಾಮ
28	ಮಧ್ಯಾಹ್ನ 2.30 ರಿಂದ 04.00ರವರೆಗೆ	ಉಪನ್ಯಾಸ -10 : Credit Appraisal & Execution of Documents- Appraisal (Technical, Financial, Marketing Management, Analysis) Methods- pre-sanction post sanction documents - hand agreement, procedure & process of execution, post disbursal and Non performing Asset ಮುಂದುವರೆದ ಭಾಗ	ಶ್ರೀ ಬಿ.ಎಸ್ ಚಂದ್ರಶೇಖರ್ ಮಾನ್ಯ ವ್ಯವಸ್ಥಾಪಕರು(ನಿ) ಎಸ್‌ಬಿಐ, ಬೆಂಗಳೂರು.
29	ಸಂಜೆ 4.00 ರಿಂದ 4.15ರ ವರೆಗೆ		ಚಹಾ ವಿರಾಮ

ಕ್ರ. ಸಂ	ಸಮಯ	ವಿಷಯಗಳು	ಸಂಪನ್ಮೂಲ ವ್ಯಕ್ತಿಗಳ ಹೆಸರು
30	ಸಂಜೆ 04.15ರಿಂದ 05.30ರವರೆಗೆ	ಉಪನ್ಯಾಸ -11 : Loan, Recovery classification of advances, Loan Documentation	ಶ್ರೀ ಗುರುಸ್ವಾಮಿ, ಮಾನ್ಯ ಅಪರ ನಿಬಂಧಕರು (ನಿ) ಬೆಂಗಳೂರು
31	ರಾತ್ರಿ 8.30 ರಿಂದ 9:30ರ ವರೆಗೆ		ರಾತ್ರಿ ಭೋಜನ
ದಿನಾಂಕ 04.07.2025 ಶುಕ್ರವಾರ			
32	ಬೆಳಿಗ್ಗೆ 8:30 ರಿಂದ 9:00 ರವರೆಗೆ		ಉಪಹಾರ
33	ಬೆಳಿಗ್ಗೆ 09.15ರಿಂದ 09.30ರವರೆಗೆ	ತರಬೇತಿ ಪ್ರಾರಂಭಿಕ ಚಟುವಟಿಕೆಗಳು	ತರಬೇತಿ ಉಸ್ತುವಾರಿ ಸಿಬ್ಬಂದಿ
34	ಬೆಳಿಗ್ಗೆ 9:30 ರಿಂದ 11:00 ರವರೆಗೆ	ಉಪನ್ಯಾಸ -12 : Challenges & Opportunities for Urban Co-operative Banks	ಶ್ರೀ ವಿಶ್ವನಾಥ ಚ.ಹಿರೇಮಠ ಮಾನ್ಯ ಮಾಜಿ ಅಧ್ಯಕ್ಷರು ಕ.ರಾ.ಸೌ.ಸಂ.ಸ.ನಿ., ಬೆಂಗಳೂರು, ಹಾಗೂ ಅಧ್ಯಕ್ಷರು ವಿಕಾಸ್ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಹೊಸಪೇಟೆ.
35	ಬೆಳಿಗ್ಗೆ 11.15 ರಿಂದ 01:30 ರವರೆಗೆ (15 ನಿಮಿಷಗಳ ಚಹಾ ವಿರಾಮ)	ಉಪನ್ಯಾಸ-13 : Filing of Disputes Loan Recovery Process, Duties of sale officers, micro lending	ಶ್ರೀ ಗುರುಸ್ವಾಮಿ, ಮಾನ್ಯ ಅಪರ ನಿಬಂಧಕರು (ನಿ) ಬೆಂಗಳೂರು
36	ಮಧ್ಯಾಹ್ನ 1:30 ರಿಂದ 2:30 ರವರೆಗೆ		ಭೋಜನ ವಿರಾಮ
37	ಮಧ್ಯಾಹ್ನ 2:30 ರಿಂದ 3:30ರ ವರೆಗೆ	ಉಪನ್ಯಾಸ-14 : Cyber Crime Awareness	ಶ್ರೀ ವಿಕಾಸ್, ಮಾನ್ಯ ವೃತ್ತಿಪರ ನಿರ್ದೇಶಕರು, ವಿಕಾಸ್ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಹೊಸಪೇಟೆ
38	ಮಧ್ಯಾಹ್ನ 3.30 ರಿಂದ 03.45ರ ವರೆಗೆ		ಚಹಾ ವಿರಾಮ
39	ಮಧ್ಯಾಹ್ನ 3.45 ರಿಂದ 5.30 ರವರೆಗೆ (04.00ರಿಂದ 04.15ರವರೆಗೆ ಚಹಾ ವಿರಾಮ)	ಉಪನ್ಯಾಸ-15 : Cyber Crime Security Measures ಮತ್ತು ಕೆವೈಸಿ ನಾರ್ಮ್ಸ್, ವೀಡಿಯೋ ಕೆವೈಸಿ	ಶ್ರೀ ದರ್ಶನ್ ನುಗ್ಗೇನಹಳ್ಳಿ ಮಾನ್ಯ ಬ್ಯಾಂಕಿಂಗ್ ತಜ್ಞರು, ಎಸ್.ಬಿ.ಎಸ್.ಟಿ.ಸಿ. ಬೆಂಗಳೂರು.
40	ಸಂಜೆ 7.00 ರಿಂದ 8.00 ರವರೆಗೆ	ಕನ್ನಡ ರಸ ಪ್ರಶ್ನೆ ಕಾರ್ಯಕ್ರಮ	ಶ್ರೀ ಬಿ.ಎಸ್ ಚಂದ್ರಶೇಖರ್ ಮಾನ್ಯ ವ್ಯವಸ್ಥಾಪಕರು(ನಿ) ಎಸ್‌ಬಿಐ, ಬೆಂಗಳೂರು.
41	ರಾತ್ರಿ 8.30 ಗಂಟೆಗೆರ ವರೆಗೆ		ರಾತ್ರಿ ಭೋಜನ
ದಿನಾಂಕ 05.07.2025ಶನಿವಾರ			
42	ಬೆಳಿಗ್ಗೆ 8:30 ರಿಂದ 9:00 ರವರೆಗೆ		ಉಪಹಾರ
43	ಬೆಳಿಗ್ಗೆ 09.15ರಿಂದ 09.30ರವರೆಗೆ	ತರಬೇತಿ ಪ್ರಾರಂಭಿಕ ಚಟುವಟಿಕೆಗಳು	ತರಬೇತಿ ಉಸ್ತುವಾರಿ ಸಿಬ್ಬಂದಿ

44	ಬೆಳಿಗ್ಗೆ 9:30 ರಿಂದ 12:30 ರವರೆಗೆ	ಉಪನ್ಯಾಸ -16 : Audit, Statutory audit, concurrent audit, internal audit, internal inspection, RBI inspection, RBI audit, Legal Aspects Consumer Protection Act, IT Act, (TDS), Banking Terminologies Taxes Applicable For Urban Co-operative Banks, ombudsman undertaking of 15G & 15H Forms	ಶ್ರೀ ಮಧುಕರ ಹೆಗಡೆ ಮಾನ್ಯ ಸನ್ಮದು ಲೆಕ್ಕಪರಿಶೋಧಕರು, ಬೆಂಗಳೂರು
45	ಮಧ್ಯಾಹ್ನ 12.30ರಿಂದ 01.30ರ ವರೆಗೆ	ಉಪನ್ಯಾಸ -17: Social media tool for Business Development in Banking	ಶ್ರೀ ಅಮೃತ್ ಜೋಷಿ, ಮಾನ್ಯ ಸಹಕಾರಿಗಳ ತರಬೇತುದಾರರು.
46	ಮಧ್ಯಾಹ್ನ 1:30 ರಿಂದ 2:30 ರವರೆಗೆ		ಭೋಜನ ವಿರಾಮ
47	ಮಧ್ಯಾಹ್ನ 2:30 ರಿಂದ 5:30ರ ವರೆಗೆ	ಉಪನ್ಯಾಸ-18 : ಗ್ರಾಹಕರ ಸೇವೆಗಳ ನಿರ್ವಹಣೆ	ಡಾ. ನಂದೀಶ್ ಹಿರೇಮಠ ಮಾನ್ಯ ನಿರ್ದೇಶಕರು, ಕೆಐಎಂ, ಹರಿಹರ.
48	ರಾತ್ರಿ 8.30 ರಿಂದ 9:30 ವರೆಗೆ		ರಾತ್ರಿ ಭೋಜನ
ದಿನಾಂಕ : 06.07.2025 ಭಾನುವಾರ			
49	ಬೆಳಿಗ್ಗೆ 8:30 ರಿಂದ 9:00 ರವರೆಗೆ		ಉಪಹಾರ
50	ಬೆಳಿಗ್ಗೆ 09.15ರಿಂದ 09.30ರವರೆಗೆ	ತರಬೇತಿ ಪ್ರಾರಂಭಿಕ ಚಟುವಟಿಕೆಗಳು	ತರಬೇತಿ ಉಸ್ತುವಾರಿ ಸಿಬ್ಬಂದಿ
51	ಬೆಳಿಗ್ಗೆ 9:30 ರಿಂದ 11.00 ರವರೆಗೆ	ಉಪನ್ಯಾಸ-19 : Financial Discipline in Cooperative Banks and Behavioural Science- Counter manners	ಶ್ರೀಮತಿ ಸಾವಿತ್ರಿ ಮಸ್ಕಿ, ಮಾನ್ಯ ಉಪನ್ಯಾಸಕರು, ಹಾಗೂ ನಿರ್ದೇಶಕರು ಸುಕೋ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಬಳ್ಳಾರಿ
52	ಬೆಳಿಗ್ಗೆ 11.00 ರಿಂದ 11.15 ರ ವರೆಗೆ		ಚಹಾ ವಿರಾಮ
53	ಬೆಳಿಗ್ಗೆ 11.15 ರಿಂದ 01.30 ರವರೆಗೆ	ಉಪನ್ಯಾಸ -20 : ವ್ಯಕ್ತಿತ್ವ ವಿಕಸನ	ಶ್ರೀ ವೈ ವಿ. ಗುಂಡೂರಾವ್ ಮಾನ್ಯ ಸಹಪ್ರಧಾನ ವ್ಯವಸ್ಥಾಪಕರು (ನಿ) ನಬಾರ್ಡ್, ಬೆಂಗಳೂರು.
54	ಮಧ್ಯಾಹ್ನ 1.30 ರಿಂದ 2.30ರ ವರೆಗೆ		ಭೋಜನ ವಿರಾಮ
55	ಮಧ್ಯಾಹ್ನ 2:30 ರಿಂದ 4:00 ರವರೆಗೆ	ಉಪನ್ಯಾಸ -21 : Digitalization & Technology in Urban Cooperative Banks	ಶ್ರೀ ಮೋಹಿತ್ ಮಸ್ಕಿ ಮಾನ್ಯ ಅಧ್ಯಕ್ಷರು ಸುಕೋ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಬಳ್ಳಾರಿ
56	ಸಂಜೆ 4.00 ರಿಂದ 4:15 ರವರೆಗೆ		ಚಹಾ ವಿರಾಮ
57	ಸಂಜೆ 04.15ರಿಂದ 05.30ರವರೆಗೆ	ಉಪನ್ಯಾಸ -22 : Role of technology key point for development of Urban Cooperative Banks, marketing of bank products, basic aspects of ALM	ಶ್ರೀ ದರ್ಶನ್ ನುಗ್ಗೇನಹಳ್ಳಿ ಮಾನ್ಯ ಕಾರ್ಪೊರೇಟ್ ಉಪನ್ಯಾಸಕರು, ಬೆಂಗಳೂರು.

ಕ್ರ. ಸಂ	ಸಮಯ	ವಿಷಯಗಳು	ಸಂಪನ್ಮೂಲ ವ್ಯಕ್ತಿಗಳ ಹೆಸರು
59	ಬೆಳಿಗ್ಗೆ 8:30 ರಿಂದ 9:00 ರವರೆಗೆ		ಉಪಹಾರ
60	ಬೆಳಿಗ್ಗೆ 09.15ರಿಂದ 09.30ರವರೆಗೆ	ತರಬೇತಿ ಪ್ರಾರಂಭಿಕ ಚಟುವಟಿಕೆಗಳು	ತರಬೇತಿ ಉಸ್ತುವಾರಿ ಸಬ್ಬಂದಿ
61	ಬೆಳಿಗ್ಗೆ 09.30 ರಿಂದ 11.00 ರ ವರೆಗೆ	ಉಪನ್ಯಾಸ -23 : Filling of Account opening Forms and Loan Application Forms	ಶ್ರೀ ಪ್ರಸನ್ನ ಹಿರೇಮಠ ಮಾನ್ಯ ಮುಖ್ಯಕಾರ್ಯನಿರ್ವಾಹಕರು, ವಿಕಾಸ್ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಹೊಸಪೇಟೆ, ಹಾಗೂ ಶ್ರೀಮತಿ ಮಧುಶ್ರೀ ಮಾನ್ಯ ಸಹಪ್ರಧಾನ ವ್ಯವಸ್ಥಾಪಕರು, ವಿಕಾಸ್ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಹೊಸಪೇಟೆ,
62	ಬೆಳಿಗ್ಗೆ 11.00 ರಿಂದ 11.15 ರ ವರೆಗೆ		ಚಹಾ ವಿರಾಮ
63	ಬೆಳಿಗ್ಗೆ 11.15 ರಿಂದ 01.30ರ ವರೆಗೆ	ಉಪನ್ಯಾಸ -24 : ಜೀವನ ಸಬಲತೆ	ಡಾ. ಹರೀಶ್, ಕಾರ್ಪೊರೇಟ್ ಟ್ರೇನರ್, ಬೆಂಗಳೂರು
64	ಮಧ್ಯಾಹ್ನ 1.30 ರಿಂದ 2.30ರ ವರೆಗೆ		ಭೋಜನ ವಿರಾಮ
65	ಮಧ್ಯಾಹ್ನ 02.30ರಿಂದ 04.00ರ ವರೆಗೆ	Exam and Evaluation	ಶ್ರೀ ಪ್ರಸನ್ನ ಹಿರೇಮಠ ಮಾನ್ಯ ಮುಖ್ಯಕಾರ್ಯನಿರ್ವಾಹಕರು, ವಿಕಾಸ್ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಹೊಸಪೇಟೆ, ಹಾಗೂ ಶ್ರೀಮತಿ ಮಧುಶ್ರೀ ಮಾನ್ಯ ಸಹಪ್ರಧಾನ ವ್ಯವಸ್ಥಾಪಕರು, ವಿಕಾಸ್ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್ ನಿ., ಹೊಸಪೇಟೆ,
66	ಸಂಜೆ 4:00 ರಿಂದ 5:00 ರವರೆಗೆ		ಸಮಾರೋಪ ಸಮಾರಂಭ
1	ಪ್ರತಿದಿನ ಬೆಳಿಗ್ಗೆ 6.30ರಿಂದ 07.30ರವರೆಗೆ ಯೋಗ ತರಬೇತಿ		ಶ್ರೀಮತಿ ಪೂರ್ಣಿಮಾ, ಮಾನ್ಯ ಯೋಗ ತರಬೇತುದಾರರು, ಬೆಂಗಳೂರು
2	ಪ್ರತಿದಿನ ಸಂಜೆ 06.00ರಿಂದ 07.00ರವರೆಗೆ : ಅನೌಪಚಾರಿಕ		
3	ಪ್ರತಿದಿನ ಬೆಳಿಗ್ಗೆ 09.00ರಿಂದ 09.15ರವರೆಗೆ : ದಿನದ ಪ್ರಾರಂಭಿಕ ಚಟುವಟಿಕೆಗಳು ಇರುತ್ತದೆ		

Money, Banking, and Technology-Driven Transformation

The Foundation of Money and Banking

- By: Manohar Maski

What is Money?

Money is any item or medium of exchange that is generally accepted as payment for goods and services and repayment of debts within a particular country or socio-economic context. The primary functions of money are:

- Medium of exchange
- Unit of account
- Store of value

Historically, money evolved from barter systems to commodity money (like gold and silver) and, in modern times, to fiat money, which is government-issued currency note backed by a physical commodity but by the stability of the issuing government

Money is a universally accepted medium of exchange that serves four primary functions: medium of exchange, unit of account, store of value, and standard of deferred payment. The evolution of money from barter systems to digital currencies represents humanity's quest for more efficient transaction mechanisms. Ancient civilizations around 2000 BCE in Assyria, India, and Sumeria first developed grain banks and metal weight systems before transitioning to coined money around 500 BCE.

The Birth of Banking

Banking emerged from the practical need to store and lend money securely. The first banks appeared in 2000 BCE, where temples served as secure storage facilities for grain and precious metals. Religious temples became the earliest banks because they were considered safe places protected by priests and armed guards. These institutions quickly evolved beyond storage to offer lending services, establishing the foundation of modern banking.

Global Banking Evolution

The modern banking system's roots trace to medieval Italy, particularly Florence, Venice, and Genoa, where wealthy merchant families like the Medicis pioneered

sophisticated banking practices. The Medici Bank, established in 1397, became the most famous Italian bank, while Banca Monte dei Paschi di Siena, founded in 1472, remains the world's oldest continuously operating bank². The establishment of the Bank of England in 1694 marked the beginning of central banking, fundamentally changing how nations managed their monetary systems.

Indian Banking Development

- India's banking history began with the establishment of the
- General Bank of India in 1786, followed by the Bank of Hindustan.
- The East India Company established three presidency banks - Bank of Bengal (1809), Bank of Bombay (1840), and Bank of Madras (1843) - which merged in 1920 to form the Imperial Bank of India. Further converted as State Bank of India
- The Reserve Bank of India's establishment in 1935 marked a crucial milestone in Indian banking supervision and regulation.

Three Phases of Indian Banking

Indian banking evolution encompasses three distinct phases: the early phase (1786-1969) characterized by private ownership, the nationalization period (1969-1991) when the government took control of major banks to ensure social banking; and the liberalization era (post-1991) introducing private and foreign banks alongside technological innovations.

Type of Banks

- Public Sector banks (including nationalised banks) - Commercial banks(Scheduled)
- Private Sector Banks - Commercial banks (Scheduled)
- Foreign banks - Commercial banks (Scheduled)
- Small finance Banks - (Scheduled)
- Regional Rural Banks- (Scheduled)
- Payment banks (Scheduled)
- Cooperative banks(Scheduled and non scheduled) includes UCBs, DCCBs and state Apex banks

Technology-Driven Banking and Contemporary Challenges

The Digital Revolution

The introduction of ATMs in 1967 by Barclays marked the beginning of banking automation. The 21st century witnessed unprecedented technological

transformation with online banking, mobile applications, and digital payment systems revolutionizing customer interactions. Digital banking now encompasses all traditional banking services available 24/7 through digital channels, from account management to loan processing.

Financial Inclusion Through Technology

India's Pradhan Mantri Jan Dhan Yojana (PMJDY), launched in 2014, represents the world's largest financial inclusion initiative, opening over 53 crore bank accounts. The scheme offers zero-balance accounts, accident insurance, and overdraft facilities, forming the foundation of the JAM trinity (Jan Dhan-Aadhaar-Mobile) for direct benefit transfers. India's Financial Inclusion Index improved from 60.1 to 64.2 by March 2024, reflecting substantial progress in banking accessibility.

Technology Challenges in Modern Banking

Contemporary banking faces significant technological challenges. Cybersecurity threats have intensified, with financial services experiencing a 200% increase in cyberattack frequency since 2020. Banks must protect against malware attacks, spoofing, social engineering, and unencrypted data vulnerabilities while maintaining customer trust.

Legacy System Modernization

Many banks operate on outdated legacy systems that struggle to integrate with modern technologies like cloud computing and artificial intelligence. Banks must balance innovation with security, creating seamless customer experiences across mobile apps, websites, and branches.

Regulatory and Compliance Pressures

Modern banks navigate complex regulatory environments including GDPR (General Data Protection Regulation) PCI DSS (Payment Card Industry Data Security Standard), Anti-Money Laundering (AML), and Know Your Customer (KYC) requirements. The Reserve Bank of India continuously updates regulations, as seen in the 2024 draft circular on permissible banking activities and prudential regulations. Compliance costs are substantial, requiring ongoing investment in regulatory technology and staff training.

Fintech Disruption

Fintech companies have significantly disrupted traditional banking, particularly in embedded payments and commission-free trading. Software-based payment companies like Stripe, Toast, and Flywire processed \$927 billion in payments by

2022, rising from just \$60 billion in 2017. Traditional banks must compete with digital-only banks offering instant account opening and user-friendly interfaces while maintaining their regulatory advantages and customer trust.

Future Outlook

The banking sector's future depends on successfully balancing technological innovation with security, regulatory compliance, and customer expectations. Banks must embrace AI for personalized services, strengthen operational resilience to meet regulatory requirements like DORA, and develop mobile-first experiences to compete with fintech disruptors. The industry's transformation from traditional branch-based services to digital-first operations represents one of the most significant shifts in financial services history

Urban Cooperative Banks

Urban Cooperative Banks (UCBs) in India play a vital role in advancing financial inclusion, especially among small borrowers, micro-businesses, in urban and semi-urban areas. Their local focus enables them to understand and address the specific needs of their communities, making them effective vehicles for tailored financial services and priority sector lending. UCBs also have the opportunity to diversify into new financial products like insurance, mutual funds, and wealth management, and to collaborate with fintech companies to enhance digital banking offerings. Supporting MSMEs and entrepreneurship. However, UCBs face significant challenges, including limited access to capital, high non-performing assets, and competition from commercial banks and fintechs. Weak governance, political interference, and dual regulatory oversight by both the RBI and state authorities often result in operational inefficiencies and compliance difficulties. Many UCBs lag in technology adoption, impacting their ability to serve tech-savvy customers and remain competitive. UCBs must strengthen governance, embrace technological innovation, improve risk management, and adapt to evolving regulatory and market demands

For quick reading

Introduction to Money, Banking & Technology-Driven Changes

What is Money?

Money is anything that people accept as payment for goods or services. It helps us buy things, save, and compare prices.

Main Functions of Money:

- Medium of Exchange – used to buy and sell things
- Unit of Account – helps us measure value (like price tags)
- Store of Value – can be saved and used later
- Standard of Deferred Payment – used to settle debts in future

History of Money:

- Started with barter system (exchange of goods)
- Then moved to gold, silver (commodity money)
- Now we use fiat money (paper or digital money backed by trust in government)
- Modern times include digital money (UPI, online banking)

How Did Banking Begin?

- Banking began as a way to safely store and lend money.
- Ancient temples in Mesopotamia stored grains and valuables – the earliest form of banks.
- Later, they began lending money, creating the first banking services.

History of Global Banking

- Italy (Florence, Venice, Genoa): Developed modern banking around the 1300s.
- The Medici family created a strong banking network.
- Bank of England (1694): The start of central banking – managing a country's money supply.

History of Indian Banking

- General Bank of India started in 1786.
- East India Company set up:
 - Bank of Bengal (1809)
 - Bank of Bombay (1840)
 - Bank of Madras (1843)
 - These merged into Imperial Bank of India in 1920, Further SBI
- Reserve Bank of India (RBI) was established in 1935 as the central bank.

Phases of Indian Banking

1. Early Phase (1786–1969): Mostly private banks
2. Nationalization (1969–1991): Major banks became government-owned
3. Liberalization (Post-1991): Entry of private and foreign banks, more technology

Types of Banks in India

- Public Sector Banks – Owned by government (e.g. SBI, PNB)
- Private Sector Banks – Owned by private groups (e.g. HDFC, ICICI)
- Foreign Banks – Operate in India but based in other countries
- Small Finance Banks – Serve low-income and small business customers
- Regional Rural Banks (RRBs) – Work in rural areas to support agriculture
- Payment Banks – Allow small savings and digital transactions (e.g. Paytm Payments Bank)
- Cooperative Banks – Work for the benefit of members (includes UCBs, DCCBs, State Apex Banks)

Digital Revolution in Banking

- 1967: First ATM by Barclays Bank
- Today: Online banking, mobile apps, UPI, and digital wallets
- All banking services are now available 24/7 from anywhere.

Financial Inclusion with Technology

- Jan Dhan Yojana (2014): Brought crores of Indians into the banking system
 - Opened over 53 crore accounts
 - Offers: zero-balance accounts, accident insurance, overdrafts
 - Based on JAM Trinity – Jan Dhan, Aadhaar, Mobile
- India's Financial Inclusion Index rose from 60.1 to 64.2 by 2024

Technology Challenges in Banking

1. Cybersecurity Threats

- Increase in frauds, hacking, phishing
- Banks must protect data and earn customers' trust

2. Old Systems (Legacy Systems)

- Many banks still use outdated software
- Difficult to connect with new tech like AI and cloud

3. Complex Regulations

- Must follow strict rules like:
 - KYC (Know Your Customer)
 - AML (Anti-Money Laundering)

- Data protection (GDPR, etc.)
- Costly and requires constant updates

4. Competition from Fintech Companies

- New-age digital companies like Paytm, PhonePe, and Google Pay offer fast services
- Banks must innovate to keep customers

Future of Banking

- Use of Artificial Intelligence (AI) for personal service
- Focus on mobile-first experience
- Need for stronger security and regulatory compliance
- Banks are shifting from branch-based to digital-first systems

Urban Cooperative Banks (UCBs): Opportunities and Challenges

Opportunities:

- UCBs provide banking to small traders, salaried employees, and urban poor
- Operate with local knowledge and personal customer relationships
- Cater to unorganized sector and small businesses not served by big banks
- Help with inclusive growth in semi-urban and urban areas
- Can grow rapidly with support from RBI and state governments
- Potential to adopt technology like new age Core Banking, Mobile Banking, UPI

Challenges:

- Limited capital and resources compared to big banks
- Governance issues due to dual regulation (RBI + State Govt)
- Some UCBs suffer from poor financial health and NPAs (bad loans)
- Lack of skilled staff for digital operations
- Strict RBI compliance norms can be difficult to implement
- Some cases of fraud and mismanagement have hurt trust

Conclusion:

Urban Cooperative Banks play an important role in serving the underserved sections of society in cities and towns. While they have immense potential, especially with digital support and regulatory reforms, they must overcome challenges like weak governance and outdated practices to remain relevant and trusted in India's fast-changing financial system.

ಸಹಕಾರ ಕ್ಷೇತ್ರದ - ಪರಿಚಯ

ಸಹಕಾರ ಎಂದರೆ ಸಾಮಾನ್ಯ ಅರ್ಥದಲ್ಲಿ ಒಂದು ಕೆಲಸದಲ್ಲಿ ಒಬ್ಬರಿಗೆ ಇನ್ನೊಬ್ಬರು ನೆರವು ನೀಡುವುದು, ಕೂಡಿ ಕೆಲಸ ಮಾಡುವುದು. ಸಹಕಾರ ಶಬ್ದಕ್ಕೆ ಹೊಸ ಅರ್ಥ ವಿವರಣೆ ಅಗತ್ಯವಿಲ್ಲ. ಮಾನವ ಹುಟ್ಟಿನಿಂದಲೇ ಸಹಕಾರ ಮನೋಭಾವವನ್ನು ಮೈಗೂಡಿಸಿಕೊಳ್ಳುತ್ತಾನೆ. ಇಲ್ಲದಿದ್ದರೆ ಬದುಕುವುದೇ ಕಷ್ಟ. ಹೀಗಾಗಿ ಮಾನವನ ದಿನನಿತ್ಯದ ಪ್ರತಿಯೊಂದು ಕಾರ್ಯಗಳಲ್ಲಿ ಇನ್ನೊಬ್ಬರ ಸಹಕಾರವಿದ್ದೇ ಇರುತ್ತದೆ. ಆದ್ದರಿಂದಲೇ ಮಾನವ ಸಂಘಜೀವಿ ಎಂದು ಹೇಳಲಾಗುತ್ತದೆ.

ಸಹಕಾರಿ/ಸಹಕಾರಿ ಸಂಘ

ಸಹಕಾರಿ ಸಂಘ ಅಥವಾ ಸಹಕಾರಿ ಎಂದರೆ ಕೆಲವು ಸಮಾನ ಮನಸ್ಕರು, ಸಮಾನತೆಯ ತಳಹದಿಯ ಮೇಲೆ ಒಂದು ಸಾಮಾನ್ಯ ಆರ್ಥಿಕ ಚಟುವಟಿಕೆಯ ಕಾರ್ಯ ಸಾಧನೆಗಾಗಿ ಒಂದುಗೂಡಿ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕಾಯ್ದೆ ಅಥವಾ ಸಹಕಾರ ಸಂಘಗಳ ಕಾಯ್ದೆ ಸಂಸ್ಥೆ ಹುಟ್ಟುಹಾಕಿ ನಿಯಮಾನುಸಾರ ಕಾರ್ಯನಿರ್ವಹಿಸುವುದೇ ಒಂದು ಸಹಕಾರಿ ಅಥವಾ ಸಹಕಾರಿ ಸಂಘ ಎಂದು ಕರೆಯಲಾಗುತ್ತದೆ.

ಸಹಕಾರಿ ತತ್ವಗಳು

“ತಾನು ಎಲ್ಲರಿಗಾಗಿ ಎಲ್ಲರೂ ತನಗಾಗಿ” ಎಂಬುದು ಸಹಕಾರದ ಮೂಲತತ್ವ. 1844ರಲ್ಲಿ ಸಮಾಜವಾದಿ ನಾಯಕ ರಾಬರ್ಟ್ ಓವೆನ್ ನೇತೃತ್ವದಲ್ಲಿ ಇಂಗ್ಲೆಂಡ್ ದೇಶದಲ್ಲಿ ರಾಕಡೆಲ್ ಅಗ್ರಗಾಮಿಗಳು ಪ್ರಾರಂಭಿಸಿದ ಗ್ರಾಹಕ ಸಹಕಾರ ಚಳುವಳಿ ಹಾಗೂ 18ನೇ ಶತಮಾನದ ಅಂತ್ಯದಲ್ಲಿ ಜರ್ಮನಿ ದೇಶದಲ್ಲಿ ರೈಪಿಸನ್ ನೇತೃತ್ವದಲ್ಲಿ ಪ್ರಾರಂಭಗೊಂಡ ಕೃಷಿ ಆಧಾರಿತ ಸಹಕಾರ ಚಳುವಳಿಗಳ ಅನುಭವದ ಆಧಾರದ ಮೇಲೆ ಕೆಲವು ಸಹಕಾರಿ ಮೌಲ್ಯಗಳನ್ನು ಸಹಕಾರಿ ತತ್ವಗಳನ್ನಾಗಿ ಸಹಕಾರಿ ನಾಯಕರು ನಿರೂಪಿಸಿದರು. ಕ್ರಮೇಣ ಸಹಕಾರ ಒಂದು ಅರ್ಥ ವ್ಯವಸ್ಥೆಯಾಗಿ ಹೊರಹೊಮ್ಮಿದ ನಂತರ 1965ರಲ್ಲಿ ಅಂತರರಾಷ್ಟ್ರೀಯ ಸಹಕಾರಿ ಮೈತ್ರಿ ಕೂಟದವರು ಭಾರತದ ಡಾ ಆರ್.ಎಫ್. ಕರ್ವೆಯವರ ನೇತೃತ್ವದಲ್ಲಿ ಈ ತತ್ವಗಳನ್ನು ಅಧ್ಯಯನ ಮಾಡಿ ನಂತರ ಇಡೀ ವಿಶ್ವಕ್ಕೆ ಅನುಕರಣೆಯಾಗುವಂತೆ ಆರು ಸಹಕಾರಿ ತತ್ವಗಳನ್ನು ರಚನೆ ಮಾಡಿದರು. 1995ರಲ್ಲಿ ಈ ತತ್ವಗಳ ಪುನರ್ ಅಧ್ಯಯನ ಮಾಡಿ ಕೆಲವು ಮಾರ್ಪಾಡುಗಳನ್ನು ಮಾಡಿ ಸಾಮಾಜಿಕ ಕಳಕಳಿ ಎಂಬ ಹೊಸ ತತ್ವವನ್ನು ಸೇರಿಸಿ 7 ಸಹಕಾರಿ ತತ್ವಗಳನ್ನು ರಚಿಸಲಾಗಿದೆ. ಅವುಗಳೆಂದರೆ,

1. ಮುಕ್ತ ಹಾಗೂ ಸ್ವಯಂ ಪ್ರೇರಿತ ಸದಸ್ಯತ್ವ
2. ಪ್ರಜಾಸತ್ತಾತ್ಮಕ ಸದಸ್ಯರ ಹತೋಟಿ
3. ಆರ್ಥಿಕ ಚಟುವಟಿಕೆಗಳಲ್ಲಿ ಸದಸ್ಯರ ಪಾಲು
4. ಸ್ವಾಯತ್ತತೆ ಮತ್ತು ಸ್ವಾತಂತ್ರ್ಯ
5. ಸಹಕಾರ ಶಿಕ್ಷಣ, ತರಬೇತಿ ಮತ್ತು ಪ್ರಚಾರ
6. ಸಹಕಾರಿಗಳಲ್ಲಿ ಪರಸ್ಪರ ಕ್ರಿಯಾತ್ಮಕ ಸಹಕಾರ
7. ಸಾಮಾಜಿಕ ಕಳಕಳಿ

ವಿಶ್ವದಾದ್ಯಂತ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿರುವ ಎಲ್ಲಾ ಸಹಕಾರಿಗಳ ಕಾರ್ಯಾಚರಣೆಗೆ, ಯಶಸ್ಸಿಗೆ, ಪ್ರಗತಿಗೆ ಈ ತತ್ವಗಳೇ ಅಡಿಪಾಯ. ಎಡವಿದಲ್ಲಿ ಸಹಕಾರ ಕ್ಷೇತ್ರದ ಬೆಳೆವಣಿಗೆಗೆ ಅವಕಾಶವಾಗುವುದಿಲ್ಲ ಎಂಬುದನ್ನು ಸಹಕಾರಿಗಳು ಗಮನಿಸಬೇಕು.

ವಿದೇಶದಲ್ಲಿ ಸಹಕಾರ ಚಳುವಳಿಯ ಹುಟ್ಟು

ಆಧುನಿಕ ಸಹಕಾರ ಚಳುವಳಿಯ ಉಗಮಕ್ಕೆ ಬ್ರಿಟನ್ ಗ್ರಾಹಕರ ಸಹಕಾರ ಚಳುವಳಿ ನಾಂದಿ ಹಾಡಿದರೆ, ಜರ್ಮನಿ ದೇಶ ಕೃಷಿ ಪತ್ತಿನ ಹಾಗೂ ಪಟ್ಟಣ ಸಹಕಾರ ಸಂಘಗಳಿಗೆ ಭದ್ರ ಬುನಾದಿ ಹಾಕಿತು.

ವಿದೇಶದ ಸಹಕಾರ ಚಳುವಳಿಯ ಅಗ್ರಸ್ಥಾನ ರಾಬರ್ಟ್ ಓವೆನ್ (1771 ರಿಂದ 1858) ಗೆ ಸಲ್ಲುತ್ತದೆ. ಇವರನ್ನು

ಸಹಕಾರದ ಪಿತಾಮಹ ಎಂದು ಗುರುತಿಸಲಾಗಿದೆ. ಕೈಗಾರಿಕಾ ಕ್ರಾಂತಿಯಾದ ನಂತರ ಶ್ರೀಮಂತ ಮತ್ತು ಕಾರ್ಮಿಕ ವರ್ಗ ಎಂದು ಎರಡು ಗುಂಪುಗಳಾಗಿ ಕಾರ್ಮಿಕರು ನಿರಂತರ ಶೋಷಣೆಗೆ ಒಳಗಾದಾಗ ರಾಬರ್ಟ್ ಒವೆನ್ ಕಾರ್ಮಿಕರ ಪರವಾಗಿ ಅನೇಕ ಸುಧಾರಣೆಗಳನ್ನು ಮಾಡಿದನು. ಕಾರ್ಮಿಕರಿಗೆ ಕೈತುಂಬ ಸಂಬಳ, ಉತ್ತಮ ಶಿಕ್ಷಣ, ವಸತಿ ಸೌಲಭ್ಯ ಹಾಗೂ ಇತರೆ ಕಾರ್ಮಿಕ ಕಲ್ಯಾಣ ಯೋಜನೆಯನ್ನು ಕಾರ್ಯಗತ ಮಾಡಲು “ಸಹಕಾರ ಗ್ರಾಮ” ಸ್ಥಾಪಿಸಿದ ಕೀರ್ತಿ ರಾಬರ್ಟ್ ಒವೆನ್‌ಗೆ ಸಲ್ಲುತ್ತದೆ. ಮರಣದ ನಂತರ ರಾಬರ್ಟ್ ಒವೆನ್ ಹಾಕಿಕೊಂಡಿದ್ದ ಮಹಾತ್ವಾಕಾಂಕ್ಷೆಯ ಯೋಜನೆ ಸ್ಥಗಿತಗೊಂಡಿತು.

1844ರಲ್ಲಿ ಇಂಗ್ಲೆಂಡಿನ ಗಿರಣಿಯಲ್ಲಿ ಕೆಲಸ ಮಾಡುತ್ತಿದ್ದ 28 ನೇಕಾರರು ರಾಕ್‌ಡೇಲ್ ಪಟ್ಟಣದಲ್ಲಿ ಟೋಡಲೇನ್ ಎಂಬ ಬೀದಿಯಲ್ಲಿ ಆಹಾರ ಪದಾರ್ಥಗಳನ್ನು ಮಾರಾಟ ಮಾಡಲು ಒಂದು ಮಳಿಗೆಯನ್ನು ಪ್ರಾರಂಭಿಸಿದರು. ಸಗಟಾಗಿ ಖರೀದಿ ಮಾಡಿ ಚಿಲ್ಲರೆಯಾಗಿ ಮಾರಾಟ ಮಾಡುವುದರಿಂದ ಕಡಿಮೆ ಬೆಲೆಯಲ್ಲಿ ಮಾರಾಟ ಮಾಡುವುದೇ ಗುರಿಯಾಗಿತ್ತು. ಅದ್ಭುತ ಯಶಸ್ಸನ್ನು ಕಂಡ ಈ ಸಂಸ್ಥೆ ಈಗಲೂ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿದೆ. ವ್ಯವಹಾರಕ್ಕೆ ಹಾಕಿಕೊಂಡ ನೀತಿಸಂಹಿತೆ ಕಾಲಕ್ರಮೇಣ ತತ್ವಗಳಾಗಿ ಬದಲಾವಣೆಗೊಂಡವು. ಆದ್ದರಿಂದಲೇ 28 ನೇಕಾರರನ್ನು ರಾಕ್‌ಡೇಲ್ ಅಗ್ರಗಾಮಿಗಳೆಂದು ಪರಿಗಣಿಸಲಾಗಿದೆ.

ಪಟ್ಟಣ ಸಹಕಾರ ಸಂಘಗಳು ಮತ್ತು ಕೃಷಿ ಪತ್ತಿನ ಸಹಕಾರಿ ಸಂಘಗಳ ರಚನೆಗೆ ಜರ್ಮನಿ ದೇಶ ಕಾರಣವಾಯಿತು. ಜರ್ಮನಿಯ ರೈಫಿಜಾನ್ ಎಂಬ ಮಹಾಶಯ ಸೇನಾಧಿಕಾರಿಯಾಗಿದ್ದು, ದೃಷ್ಟಿದೋಷದಿಂದ ನಿವೃತ್ತಿಗೊಂಡಾಗ, ಅಪ್ರಾಮಾಣಿಕ ಶ್ರೀಮಂತರು ಬಡ ರೈತರನ್ನು ಹೇಗೆ ಸುಲಿಗೆ ಮಾಡುತ್ತಿದ್ದರು ಎನ್ನುವುದನ್ನು ಕಂಡು ಅವರ ಆರ್ಥಿಕಾಭಿವೃದ್ಧಿಗೆ “ಕ್ರೆಡಿಟ್ ಯೂನಿಯನ್” ಸ್ಥಾಪಿಸಿದನು. ಸದಸ್ಯರನ್ನು ಆರ್ಥಿಕವಾಗಿ ಬಲಪಡಿಸಲು ಸಂಪನ್ಮೂಲ ಕ್ರೋಢೀಕರಣ, ಪರಸ್ಪರ ಸಹಾಯ ಮತ್ತು ಉಳಿತಾಯಕ್ಕೆ ಆದ್ಯತೆ ನೀಡಿದನು. ನೀಡುವ ಸಾಲಕ್ಕೆ ಸರಳ ಬಡ್ಡಿ ಮತ್ತು ಮರುಪಾವತಿ ಸಾಲಗಾರನಿಗೆ ಹೊರೆಯಾಗದ ರೀತಿಯಲ್ಲಿ 6 ತಿಂಗಳಿನಿಂದ 5 ವರ್ಷಗಳವರೆಗೆ ಅವಧಿ ವಿಸ್ತರಿಸಬಹುದಾಗಿತ್ತು. ರೈಫಿಜಾನ್ ದೃಷ್ಟಿದೋಷ ಸಹಕಾರ ಚಳುವಳಿಯ ಆರಂಭಕ್ಕೆ ಒಂದು ವರದಾನವಾಯಿತು.

1850 ರಲ್ಲಿ ಹರ್ಮನ್ ಶುಲ್ಟ್ಜ್ (Herman Schultze) ಎಂಬ ಮಹನೀಯ ಜರ್ಮನಿಯ ಡಿಲಿಟ್ಸ್ ಎಂಬ ಪಟ್ಟಣದಲ್ಲಿ ಬಡವರ್ಗಕ್ಕೆ ಸೇರಿದ ವ್ಯಾಪಾರಿಗಳು ಮತ್ತು ಮಧ್ಯಮ ವರ್ಗದ ಆರ್ಥಿಕ ಸ್ಥಿತಿಗತಿಗಳನ್ನು ಸುಧಾರಿಸಲು ಸಹಕಾರ ಸಂಘವನ್ನು ಸ್ಥಾಪಿಸಿದನು. ವಿಶ್ವದಲ್ಲಿ ಪಟ್ಟಣ ಬ್ಯಾಂಕುಗಳ ರಚನೆಗೆ ಈ ಸಂಘಗಳೇ ಕಾರಣವಾದುವು.

ಭಾರತದಲ್ಲಿ ಸಹಕಾರಿ ಚಳುವಳಿ - ವಿವಿಧ ಹಂತಗಳು

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| 01. ಸ್ವಾತಂತ್ರ್ಯ ಪೂರ್ವ | 02. ಸ್ವಾತಂತ್ರ್ಯ ನಂತರ |
| 03. ಹೊಸ ಆರ್ಥಿಕ ನೀತಿ ಜಾರಿ ನಂತರ | 04. ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಯುಗ |
| 05. ಭಾರತ ಸಂವಿಧಾನದಲ್ಲಿ ಸಹಕಾರಕ್ಕೆ ಸ್ಥಾನ | 06. ಕೇಂದ್ರದಲ್ಲಿ ಪ್ರತ್ಯೇಕ ಸಹಕಾರ ಸಚಿವಾಲಯ(2021) |

ಸ್ವಾತಂತ್ರ್ಯ ಪೂರ್ವ

ರೈತರ ಆರ್ಥಿಕ ಸಂಕಷ್ಟಗಳ ಪರಿಹಾರಕ್ಕಾಗಿ ಅನೇಕ ಆರ್ಥಿಕ ಸಂಘಟನೆಗಳು ಕಾರ್ಯನಿರ್ವಹಿಸಿದಾಗ್ಯೂ ರೈತರ ಆರ್ಥಿಕ ಸಂಕಷ್ಟಗಳು ನಿವಾರಣೆಯಾಗದೆ ತೊಂದರೆಗೀಡಾಗಿರುವುದನ್ನು ಬ್ರಿಟೀಷ್ ಸರ್ಕಾರ ಗಮನಿಸಿ ರೈತರಿಗೆ ಅವರ ಸಾಲ ಬಾಧೆಯಿಂದ ಮುಕ್ತಿ ನೀಡುವಂತಹ ಯೋಜನೆ ಸಿದ್ಧಪಡಿಸಬೇಕೆಂದು ಫ್ರೆಡರಿಕ್ ನಿಕೋಲ್ಸ್ ಎಂಬ ಅಧಿಕಾರಿಯನ್ನು ಇಂಗ್ಲೆಂಡ್ ದೇಶಕ್ಕೆ ಕಳುಹಿಸಿ ಸಹಕಾರ ಚಳುವಳಿಯ ಅಧ್ಯಯನ ಮಾಡಿ ವರದಿ ಸಲ್ಲಿಸಲು ಸೂಚಿಸಿದರು. ಫ್ರೆಡರಿಕ್ ನಿಕೋಲ್ಸ್ ರವರ ವರದಿ ಆಧಾರದ ಮೇಲೆ ಭಾರತದಲ್ಲಿ ಸಹಕಾರ ಚಳುವಳಿಯನ್ನು ಪ್ರಾರಂಭಿಸಲು ಅನುಕೂಲವಾಗುವಂತೆ 1904 ಮಾರ್ಚ್ 25ನೇ ದಿನಾಂಕದಂದು ಅಖಿಲ ಭಾರತ ಸಹಕಾರಿ ಪತ್ತಿನ ಕಾಯ್ದೆಯನ್ನು ಜಾರಿಗೆ ತರಲಾಯಿತು. ಹೀಗಾಗಿ ಭಾರತದಲ್ಲಿ ಸಹಕಾರ ಚಳುವಳಿ ಅಧಿಕೃತವಾಗಿ ಪ್ರಾರಂಭವಾದುದು ಸಹಕಾರ ಕಾನೂನು ಮುಖಾಂತರ. ಭಾರತದ ಪ್ರಥಮ ಕೃಷಿ ಸಹಕಾರ ಸಂಘ ಕರ್ನಾಟಕದ ಅಂದಿನ ಧಾರವಾಡ ಜಿಲ್ಲೆಯ ಗದಗ ತಾಲ್ಲೂಕಿನ ಕಣಗಿನಹಾಳ ಎಂಬ ಗ್ರಾಮದಲ್ಲಿ 1905 ಮೇ 08 ರಂದು ಪ್ರಾರಂಭವಾಯಿತು. ನಂತರ ದೇಶದಾದ್ಯಂತ ಅನೇಕ ಕೃಷಿ ಸಹಕಾರ ಸಂಘಗಳ ಸ್ಥಾಪನೆಯಾಯಿತು.

ರೈತರಿಗೆ ಕೃಷಿ ಸಾಲ ನೀಡುವ ಸಹಕಾರಿ ಸಂಸ್ಥೆಗಳು ಕಾರ್ಯಾಚರಣೆ ಪ್ರಾರಂಭಿಸಿದವು. ಆದರೆ ಈ ಸಹಕಾರ

ಸಂಘಗಳಿಗೆ ಮರು ಹಣಕಾಸು ನೀಡುವ ಕೇಂದ್ರ ಸಂಸ್ಥೆಯನ್ನು ಪ್ರಾರಂಭಿಸಲು ಅವಕಾಶವಿಲ್ಲದೇ ಇದ್ದ ಪ್ರಯುಕ್ತ ಈ ಸಂಸ್ಥೆಗಳು ಹಣಕಾಸಿನ ಮುಗ್ಗಟ್ಟನ್ನು ಎದುರಿಸಬೇಕಾಯಿತು. 1912ರಲ್ಲಿ ಸಹಕಾರಿ ಕಾಯ್ದೆಯನ್ನು ತಿದ್ದುಪಡಿ ಮಾಡಲಾಯಿತು. ಈ ತಿದ್ದುಪಡಿಯ ನಂತರ ಎಲ್ಲಾ ವಿಧವಾದ ಸಹಕಾರಿ ಸಂಸ್ಥೆಗಳ ಸ್ಥಾಪನೆಗೆ ಅವಕಾಶವಾಗಿ ಸಹಕಾರ ಕ್ಷೇತ್ರ ಬೆಳೆಯಲಾರಂಭಿಸಿತು. ಎಲ್ಲಾ ವಿಧವಾದ ಸಹಕಾರ ಸಂಸ್ಥೆಗಳು ರಾಜ್ಯದಾದ್ಯಂತ ಅಸ್ತಿತ್ವಕ್ಕೆ ಬಂದವು. ಸಹಕಾರ ಕ್ಷೇತ್ರದ ತೊಡಕುಗಳ ನಿವಾರಣೆಗೆ 1919ರಲ್ಲಿ ಪ್ರಾಂತೀಯ ಸಹಕಾರಗಳ ರಚನೆಯ ನಂತರ ಎಲ್ಲಾ ಪ್ರಾಂತ್ಯಗಳಲ್ಲಿ ಪ್ರಾಂತೀಯ ಸಹಕಾರ ಕಾಯ್ದೆಗಳ ರಚನೆಯಾಯಿತು. 1935ರಲ್ಲಿ ಭಾರತೀಯ ರಿಸರ್ವ್ ಬ್ಯಾಂಕಿನ ಸ್ಥಾಪನೆಯಾಯಿತು. ಈ ಅವಧಿಯಲ್ಲಿ ಸಹಕಾರ ಕ್ಷೇತ್ರದಲ್ಲಿ ಹೇಳಿಕೊಳ್ಳುವಂತಹ ಪ್ರಗತಿಯಾಗಲಿಲ್ಲ.

ಸ್ವಾತಂತ್ರ್ಯಾನಂತರ

1947ರಲ್ಲಿ ಭಾರತಕ್ಕೆ ಸ್ವಾತಂತ್ರ್ಯ. 1950ರಲ್ಲಿ ಗಣರಾಜ್ಯ ಸ್ಥಾಪನೆ. ನೂತನ ಸಂವಿಧಾನದಲ್ಲಿ ಸಹಕಾರ ರಾಜ್ಯಗಳ ವಿಷಯ. ಸ್ವತಂತ್ರ ಭಾರತದ ನೂತನ ಸರಕಾರ ಅಸ್ತಿತ್ವಕ್ಕೆ ಪ್ರಥಮ ಪ್ರಧಾನಿ ದಿ.ಜವಾಹರಲಾಲ ನೆಹರೂರವರ ನೇತೃತ್ವದಲ್ಲಿ ಆಡಳಿತ ವಹಿಸಿಕೊಂಡ ನಂತರ ಸಹಕಾರ ಚಳುವಳಿಯ ಪ್ರಗತಿ ವಿಮರ್ಶೆಗೆ ರಿಸರ್ವ್ ಬ್ಯಾಂಕಿನ ಗವರ್ನರ್ ಶ್ರೀ ಎ.ಡಿ.ಗೊರವಾಲಾ ನೇತೃತ್ವದಲ್ಲಿ “ಅಖಿಲ ಭಾರತ ಪತ್ತು ಪರಿಶೀಲನಾ ಸಮಿತಿ” ನೇಮಕ. ಸುದೀರ್ಘ ಅಧ್ಯಯನ ನಂತರ ವರದಿ. “ಭಾರತದಲ್ಲಿ ಸಹಕಾರ ಚಳುವಳಿ ಯಶಸ್ವಿಯಾಗಲಿಲ್ಲ ಆದರೆ ಯಶಸ್ವಿಯಾಗಲೇಬೇಕು” ಎಂದು ತಿಳಿಸಿ ಸಹಕಾರ ಕ್ಷೇತ್ರವನ್ನು ಬಲಪಡಿಸುವುದಕ್ಕಾಗಿ ಕೆಲವು ಮಹತ್ವದ ಶಿಫಾರಸ್ಸುಗಳನ್ನು ಮಾಡಿದರು. ಪ್ರತಿ ಗ್ರಾಮಕ್ಕೊಂದು ಸಹಕಾರ ಸಂಘ, ಸರಕಾರದ ಪಾಲಿಗಾರಿಕೆಗೆ ಶಿಫಾರಸ್ಸು, ಪಂಚವಾರ್ಷಿಕ ಯೋಜನೆಗಳಲ್ಲಿ ಕೃಷಿ ಹಾಗೂ ಸಹಕಾರ ಕ್ಷೇತ್ರದ ಅಭಿವೃದ್ಧಿಗೆ ಪೂರ್ಣ ಪ್ರಮಾಣದ ನೆರವು, ಹಸಿರು ಕ್ರಾಂತಿಯ ಹರಿಕಾರನಾಗಿ ಸಹಕಾರ ಕ್ಷೇತ್ರ, ಆದರೂ ಸಹಕಾರ ಕ್ಷೇತ್ರ ನಿರೀಕ್ಷಿಸಿದ ಪ್ರಗತಿಯನ್ನು ಸಾಧಿಸಲಾಗಲಿಲ್ಲ.

1969ರಲ್ಲಿ ಮತ್ತೆ ರಿಸರ್ವ್ ಬ್ಯಾಂಕಿನ ಡೆಪ್ಯೂಟಿ ಗವರ್ನರ್ ಶ್ರೀ ವೆಂಕಟಪ್ಪಯ್ಯನವರ ನೇತೃತ್ವದಲ್ಲಿ “ಅಖಿಲ ಭಾರತ ಪತ್ತು ಪ್ರಗತಿ ಪರಿಶೀಲನಾ ಸಮಿತಿ” ನೇಮಕ. ಸುದೀರ್ಘ ಅಧ್ಯಯನದ ನಂತರ ವರದಿ. ಇದುವರೆಗಿನ ಪತ್ತು ನೀಡಿಕೆ ರೈತ ಸಮುದಾಯದಲ್ಲಿರುವ ಶೇ.25ರಷ್ಟಿರುವ ದೊಡ್ಡ ರೈತರಿಗೆ ಮಾತ್ರ ತಲುಪಿದೆ. ಶೇ.75ರಷ್ಟಿರುವ ಸಣ್ಣ ಹಾಗೂ ಅತಿ ಸಣ್ಣ ರೈತರಿಗೆ ಸಾಲ ಸೌಲಭ್ಯಗಳು ಲಭ್ಯವಾಗಿರುವುದಿಲ್ಲ. ಹೀಗಾಗಿ ಸಹಕಾರ ಕ್ಷೇತ್ರದಲ್ಲಿ ನಿರೀಕ್ಷಿಸಿದ ಪ್ರಗತಿ ಸಾಧನೆಗೆ ಹಿನ್ನಡೆಯಾಗಿದೆ ಎಂದರು ಹಾಗೂ ಮಹತ್ವದ ಶಿಫಾರಸ್ಸುಗಳನ್ನು ಮಾಡಿದರು. ಸಣ್ಣ ರೈತರಿಗೆ ವ್ಯವಸಾಯಕ್ಕೆ ಅಗತ್ಯವಾದ ಸಾಲ ಸೌಲಭ್ಯಗಳನ್ನು ನೀಡುವುದರ ಜೊತೆಗೆ ವ್ಯವಸಾಯಕ್ಕೆ ಪೂರಕವಾದ ಕಸಬುಗಳನ್ನು ಮಾಡಲು ಆರ್ಥಿಕ ನೆರವು ನೀಡಬೇಕಾದುದು ಅವಶ್ಯ ಎಂದು ಸೂಚಿಸಿದರು.

ಇದರ ಪರಿಣಾಮವಾಗಿ ಸಣ್ಣ ಹಾಗೂ ಅತಿಸಣ್ಣ ರೈತರ ಹಾಗೂ ಕೃಷಿ ಕಾರ್ಮಿಕರ ಅಭಿವೃದ್ಧಿ ಕಾರ್ಯಕ್ರಮಗಳನ್ನು ಹಮ್ಮಿಕೊಳ್ಳಲಾಯಿತು. ಇದರ ಪರಿಣಾಮವಾಗಿ 14 ದೊಡ್ಡ ವಾಣಿಜ್ಯ ಬ್ಯಾಂಕುಗಳನ್ನು 1969ರಲ್ಲಿ ರಾಷ್ಟ್ರೀಕರಣಮಾಡಿ ಹೈನುಗಾರಿಕೆ, ಕೋಳಿ ಸಾಕಾಣಿಕೆ, ಹಂದಿ ಸಾಕಾಣಿಕೆ, ಜೇನುಸಾಕಾಣಿಕೆ ಮುಂತಾದ ಉಪಕಸುಬುಗಳಿಗೆ ಹೆಚ್ಚಿನ ಆರ್ಥಿಕ ಸಹಾಯ ನೀಡಲು ಆದ್ಯತೆ ನೀಡಲಾಯಿತು. ಹೈನುಗಾರಿಕೆ ಕ್ಷೇತ್ರದ ಅಭಿವೃದ್ಧಿಯಿಂದ ಶ್ವೇತಕ್ರಾಂತಿಯಾಗಿ ರೈತರು ಉಪಕಸುಬುಗಳ ಮೂಲಕ ಆರ್ಥಿಕ ಚಟುವಟಿಕೆಗಳನ್ನು ಹೆಚ್ಚಿಸಿಕೊಂಡು ನೆಮ್ಮದಿಯಾಗಿ ಕೃಷಿ ಚಟುವಟಿಕೆಗಳನ್ನು ಮಾಡಲು ಅವಕಾಶವಾಯಿತು.

ದೇಶದ ಆಹಾರ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಸ್ವಾವಲಂಬನೆ ಕಂಡುಕೊಳ್ಳಲು ಸಾಧ್ಯವಾಯಿತು. ಸಹಕಾರ ಕ್ಷೇತ್ರದ ಅಭಿವೃದ್ಧಿಗಾಗಿ ಶಿವರಾಮನ್ ಕಮಿಟಿ ಮತ್ತು ಹಲವಾರು ಸಮಿತಿಗಳು ರಚನೆಗೊಂಡು ಮಾಡಿದ ಅನೇಕ ಶಿಫಾರಸ್ಸುಗಳನ್ನು ಕೇಂದ್ರ ಸರಕಾರ ಹಾಗೂ ರಾಜ್ಯಸರಕಾರಗಳು ಕಾರ್ಯಗತಗೊಳಿಸಿದವು. ಸಹಕಾರ ಕ್ಷೇತ್ರದ ಅಭಿವೃದ್ಧಿಗಾಗಿ ಪಂಚ ವಾರ್ಷಿಕ ಯೋಜನೆಗಳ ಮೂಲಕ ಕೇಂದ್ರ ಹಾಗೂ ರಾಜ್ಯಸರಕಾರಗಳು ಇಷ್ಟೆಲ್ಲ ಕಾರ್ಯಕ್ರಮಗಳನ್ನು ಜಾರಿಗೊಳಿಸಿದಾಗ್ಯೂ ಸಹಕಾರ ಕ್ಷೇತ್ರದ ಪ್ರಗತಿ ನಿರೀಕ್ಷಿಸಿದ ಮಟ್ಟ ತಲುಪಲಿಲ್ಲ.

ಹೊಸ ಆರ್ಥಿಕ ನೀತಿ ಘೋಷಣೆ

1991ರಲ್ಲಿ ರಾಷ್ಟ್ರದ ಹಣಕಾಸು ಸಚಿವರಾಗಿದ್ದ ಈಗಿನ ಪ್ರಧಾನಿ ಡಾ.ಮನಮೋಹನಸಿಂಗ್ ರವರು ರಾಷ್ಟ್ರಕ್ಕೆ ಹೊಸ ಆರ್ಥಿಕ ನೀತಿಯನ್ನು ಘೋಷಣೆ ಮಾಡಿದರು.ನಾಗಾಲೋಟದಲ್ಲಿ ಸಾಗುತ್ತಿರುವ ಜಗತ್ತಿನ ಇತರ ರಾಷ್ಟ್ರಗಳ ಜೊತೆಗೆ ಪೈಪೋಟಿ

ನೀಡಬೇಕಾದರೆ ಆಹಾರ ಮತ್ತು ಕೈಗಾರಿಕಾ ಉತ್ಪನ್ನಗಳ ಪ್ರಮಾಣ ಹಾಗೂ ಗುಣಮಟ್ಟ ಗಣನೀಯವಾಗಿ ಹೆಚ್ಚಬೇಕಿದೆ. ಅಧಿಕ ಪ್ರಮಾಣದಲ್ಲಿ ಬಂಡವಾಳ ತೊಡಗಿಸಬೇಕಾಗುತ್ತದೆ. ಸರಕಾರವೊಂದರಿಂದಲೇ ಈ ಕೆಲಸ ಸಾಧ್ಯವಾಗುವುದಿಲ್ಲ. ಹೀಗಾಗಿ ದೇಶದ ಅಥವಾ ಹೊರದೇಶದ ಖಾಸಗಿ ಉದ್ಯಮಿದಾರರು ಉದ್ಯಮಗಳನ್ನು ಪ್ರಾರಂಭಿಸಲು ಮುಕ್ತ ಅವಕಾಶ ಒದಗಿಸಬೇಕು. ಹೀಗಾಗಿ “ಖಾಸಗೀಕರಣ, ಜಾಗತೀಕರಣ ಹಾಗೂ ಉದಾರೀಕರಣ” ನೀತಿಯನ್ನು ಘೋಷಿಸಿದರು.

ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಯುಗ

ದೇಶದ ಅಭಿವೃದ್ಧಿಯಲ್ಲಿ ಸಹಕಾರಿ ರಂಗದ ಮೂಲಕ ಅಭಿವೃದ್ಧಿಯನ್ನು ಸಾಧಿಸಲು ಕೇಂದ್ರ ಸರ್ಕಾರ ಹಾಗೂ ರಾಜ್ಯ ಸರ್ಕಾರಗಳು ಈ ಕ್ಷೇತ್ರಕ್ಕೆ ವಿವಿಧ ಯೋಜನೆಗಳ ಮೂಲಕ ಕೋಟ್ಯಂತರ ರೂಪಾಯಿ ಹಣವನ್ನು, ಶೇರು ಸಬ್ಸಿಡಿ, ಸಹಾಯ ಧನ ಮುಂತಾದ ರೂಪದಲ್ಲಿ ನೀಡಲಾಗಿತ್ತು. ಗ್ರಾಮಕ್ಕೊಂದು ಪಂಚಾಯಿತಿ, ಗ್ರಾಮಕ್ಕೊಂದು ಶಾಲೆ ಹಾಗೂ ಗ್ರಾಮಕ್ಕೊಂದು ಸಹಕಾರ ಸಂಘ ಇವುಗಳು ಸಮುದಾಯ ಅಭಿವೃದ್ಧಿಯ ಮೂರು ಆಧಾರ ಸ್ತಂಭಗಳು ಎಂದೇ ಕರೆಯಲ್ಪಟ್ಟವು. ಅದಕ್ಕಾಗಿಯೇ ಕೇಂದ್ರ ಹಾಗೂ ರಾಜ್ಯ ಸರ್ಕಾರಗಳು ಸ್ವಾತಂತ್ರ್ಯಾನಂತರ ಕೋಟ್ಯಂತರ ರೂಪಾಯಿ ಹಣವನ್ನು ಸಹಕಾರಿ ಕ್ಷೇತ್ರಕ್ಕೆ ಸುರಿಯಲಾಗಿತ್ತು. ಆದರೂ ಸಹಕಾರಿ ಕ್ಷೇತ್ರ ನಿರೀಕ್ಷಿತ ಯಶಸ್ಸು ಸಾಧಿಸಲಿಲ್ಲ. ಈ ಕುರಿತು ಅನೇಕ ವೇದಿಕೆಗಳ ಮೂಲಕ ಚರ್ಚೆ ಆರಂಭವಾಯಿತು. ಸಹಕಾರಿ ಕ್ಷೇತ್ರ ನಿರೀಕ್ಷಿತ ಯಶಸ್ಸು ಸಾಧಿಸಲಿಲ್ಲ ಹಾಗೂ ಸಹಕಾರಿ ರಂಗ ದಾರಿ ತಪ್ಪಿದೆ ಎಂಬ ಸಹಕಾರಿಗಳ ಕೂಗು ದಿನೇ ದಿನೇ ಹೆಚ್ಚುತ್ತಾ ಹೋಯಿತು. ಇದನ್ನು ಗಮನಿಸಿದ ಕೇಂದ್ರ ಸರ್ಕಾರ 1987ರಲ್ಲಿ ಶ್ರೀ ಅರ್ಧನಾರೀಶ್ವರನ್ ಇವರ ಅಧ್ಯಕ್ಷತೆಯಲ್ಲಿ ಈ ಕುರಿತು ಅಧ್ಯಯನ ನಡೆಸಲು ಸಮಿತಿಯೊಂದನ್ನು ರಚಿಸಿತು. ಈ ಸಮಿತಿಯು ತನ್ನ ವರದಿಯಲ್ಲಿ “ಸರಕಾರದ ಅತಿಯಾದ ಹಸ್ತಕ್ಷೇಪದಿಂದಾಗಿ ದೇಶದಲ್ಲಿ ಸಹಕಾರಿ ಚಳುವಳಿ ವಿಫಲವಾಗಿದೆ ಎಂದು” ಹೇಳಿತು. ಸಹಕಾರ ಚಳುವಳಿ ವಿಫಲವಾದರೂ ಜನಸಾಮಾನ್ಯರು ತಮ್ಮ ಆರ್ಥಿಕ ಏಳಿಗೆಗಾಗಿ ತಾವೇ ಸ್ವಯಂ ಸ್ಫೂರ್ತಿಯಿಂದ ಭಾಗವಹಿಸುವ ಈ ಆಂದೋಲನ ಯಶಸ್ವಿಯಾಗುವ ಅಗತ್ಯವಿರುವುದನ್ನು ಗುರುತಿಸಿದ ಕೇಂದ್ರ ಯೋಜನಾ ಆಯೋಗ ಸರ್ಕಾರದ ಹಸ್ತಕ್ಷೇಪ ತಡೆಯಬಲ್ಲ ಸದಸ್ಯರಿಗೆ ಹೆಚ್ಚು ಅಧಿಕಾರ ನೀಡುವ ಹಾಗೂ ಅವರ ಸಹಭಾಗಿತ್ವ ಹೆಚ್ಚಿಸುವ ಸಹಕಾರಿ ಸಂಘಗಳಿಗೆ ಚಟುವಟಿಕೆ ನಡೆಸಲು ಮುಕ್ತ ವಾತಾವರಣ ನಿರ್ಮಿಸುವಂತಹ ಮಾದರಿ ಸಹಕಾರಿ ಕಾಯ್ದೆಯನ್ನು ರೂಪಿಸಲು ಚೌಧರಿ ಬ್ರಹ್ಮಪ್ರಕಾಶರ ನೇತೃತ್ವದಲ್ಲಿ ಇನ್ನೊಂದು ಸಮಿತಿಯನ್ನು ನೇಮಿಸಿತು. ಈ ಸಮಿತಿ 1991 ರಲ್ಲಿ ವಿವಿಧ ರಾಜ್ಯಗಳಲ್ಲಿ ಪ್ರಸ್ತುತ ಜಾರಿಯಲ್ಲಿರುವ ಸಹಕಾರಿ ಕಾಯ್ದೆಗಳ ಬಗ್ಗೆ ವಿವರವಾದ ಅಧ್ಯಯನ ನಡೆಸಿ ಒಂದು ಮಾದರಿ ಕಾಯ್ದೆ ರೂಪಿಸಿತು. ಯೋಜನಾ ಆಯೋಗದಿಂದ ಈ ಮಾದರಿ ಸಹಕಾರಿ ಕಾಯ್ದೆಯನ್ನು ಅಳವಡಿಸಿಕೊಳ್ಳಲು ಸಲಹೆ ನೀಡಿ ಎಲ್ಲಾ ರಾಜ್ಯ ಸರ್ಕಾರಗಳಿಗೆ ಕಳುಹಿಸಿತು. ಈ ರೀತಿ ವಿವರವಾದ ಅಧ್ಯಯನದ ಫಲವಾಗಿ ಯೋಜನಾ ಆಯೋಗದವರು ಕಳುಹಿಸಿದ ಮಾದರಿ ಸಹಕಾರಿ ಕಾಯ್ದೆಯನ್ನು ನಮ್ಮ ರಾಜ್ಯದಲ್ಲಿ ಜಾರಿಗೆ ತರಲಾಯಿತು. ಈ ಕಾಯ್ದೆಯೇ “ಕರ್ನಾಟಕ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕಾಯ್ದೆ - 1997”.

ಭಾರತ ಸಂವಿಧಾನದಲ್ಲಿ ಸಹಕಾರಕ್ಕೆ ಸ್ಥಾನ

ಭಾರತ ಸಂವಿಧಾನದಲ್ಲಿ ಸಹಕಾರ ರಾಜ್ಯದ ವಿಷಯ. 2012 ಜನವರಿಯಲ್ಲಿ ಭಾರತ ಸಂವಿಧಾನದಲ್ಲಿ ಸಹಕಾರಕ್ಕೆ ವಿಶೇಷ ಮನ್ನಣೆ ದೊರೆಯಿತು. ಸಹಕಾರಿ ಸಂಸ್ಥೆ ಸ್ಥಾಪಿಸುವುದು, ಬೆಳೆಸುವುದು ಪ್ರಜೆಯ ಸಂವಿಧಾನದಲ್ಲಿ ಬದ್ಧವಾದ ಮೂಲಭೂತ ಹಕ್ಕು ಎಂದು ವಿಧಿತವಾಯಿತು. 2012 ಜನವರಿಯಲ್ಲಿ ಜಾರಿಯಾದ ಸಂವಿಧಾನ 97ನೇ ತಿದ್ದುಪಡಿಯಲ್ಲಿ ಸಹಕಾರ ಕ್ಷೇತ್ರಕ್ಕೆ ಸಂಧಿಸಿದಂತೆ ಮಹತ್ತರವಾದ ಕಾರ್ಯವಿಧಾನಗಳ ವಿವರಣೆಯನ್ನು ನೀಡಲಾಗಿದೆ. ಇದರಿಂದಾಗಿ ಸಹಕಾರಿ ಸಂಘಗಳು ವೃತ್ತಿಪರ, ಉತ್ತಮ ಗುಣಮಟ್ಟದ ಪ್ರಜಾಪ್ರಭುತ್ವ ವ್ಯವಸ್ಥೆಗಳಾಗಿ ಹೊರಹೊಮ್ಮಲು ವಿಪುಲ ಅವಕಾಶ ಒದಗಿ ಬಂದಿದೆ. ಸಂವಿಧಾನ ತಿದ್ದುಪಡಿಯ ಪರಿಣಾಮವಾಗಿ ರಾಜ್ಯ ಕಾಯಿದೆಗಳಲ್ಲಿರುವ ಹಲವಾರು ಮಹತ್ವದ ತೊಡಕು ನಿವಾರಣೆಯಾಗಿ ಸಹಕಾರಿ ಕ್ಷೇತ್ರಕ್ಕೆ ಬಲ ಬರಬಹುದು. ಸಹಕಾರ ರಂಗಕ್ಕೆ ಇದೊಂದು ಪರಿಣಾಮಕಾರಿ ಹೆಜ್ಜೆ.

ಕೇಂದ್ರದಲ್ಲಿ ಸಹಕಾರ ಸಚಿವಾಲಯ ಪ್ರಾರಂಭದ ನಂತರ

ದೇಶದಲ್ಲಿ 8.5 ಲಕ್ಷಗಳಿಗೂ ಹೆಚ್ಚು ಸಹಕಾರ ಸಂಸ್ಥೆಗಳಿವೆ. 40,688 ಕೋಟಿ (4,06,886.8 ಮಿಲಿಯನ್) ಪಾಲು ಬಂಡವಾಳವಿದೆ. 12,53,617 ಕೋಟಿ (1,25,36,174 ಮಿಲಿಯನ್) ದುಡಿಯುವ ಬಂಡವಾಳವಿದೆ. ಕೃಷಿ, ಹೈನುಗಾರಿಕೆ, ಸಕ್ಕರೆ, ಮೀನುಗಾರಿಕೆ, ಕೈಗಾರಿಕೆ, ಆರೋಗ್ಯ ಸಹಕಾರ ಬ್ಯಾಂಕಿಂಗ್, ಸಾಮಾನ್ಯ ಕ್ರೆಡಿಟ್ ಸಹಕಾರ ಕಾನೂನುಗಳು ಸಂಬಂಧಿಸಿದ ಕಾನೂನುಗಳು ಮತ್ತು ಸಹಕಾರ ಪರಿಸರ ಮುಂತಾದವುಗಳಲ್ಲಿ ಸಾಕಷ್ಟು ಆಧುನಿಕತೆಯನ್ನು ಅಳವಡಿಸಿ ಪ್ರಗತಿಯನ್ನು ಸಾಧಿಸುವ ಅಗತ್ಯತೆ ಇದ್ದು ಇದಕ್ಕೆಲ್ಲ ವಿಷಯಗಳ ಬಗ್ಗೆ ಆಳವಾದ ಜ್ಞಾನ, ವೃತ್ತಿಪರತೆ ಹಾಗೂ ಆಧುನಿಕ

ತಂತ್ರಜ್ಞಾನಗಳನ್ನು ವಿಶ್ವವಿದ್ಯಾಲಯದ ಮೂಲಕ ಅಳವಡಿಸುವ ಕಾರ್ಯ ಪರಿಣಾಮಕಾರಿಯಾಗಿ ನಡೆಯಬೇಕು. ಆದರೆ ಸಹಕಾರ ವಿಷಯಕ್ಕೆ ಪ್ರತ್ಯೇಕ ಸಹಕಾರ ಇಲಾಖೆ ಇರಲಿಲ್ಲ. ಕೇಂದ್ರದಲ್ಲಿ ಸಹಕಾರಿಯ ಇಲಾಖೆಯನ್ನು ಕೃಷಿ ಇಲಾಖೆ ಜೊತೆ ಸೇರಿಸಲಾಗಿತ್ತು. ಹಾಗಾಗಿ ಕೃಷಿ ಇಲಾಖೆಯ ಕೆಲಸ-ಕಾರ್ಯಗಳು ಹೆಚ್ಚಾಗಿರುವುದರಿಂದ ಸಹಕಾರಿಯ ಇಲಾಖೆಯ ಕೆಲಸ ಕಾರ್ಯಗಳಿಗೆ ಅವಕಾಶಗಳು ಕಡಿಮೆಯಾಗುತ್ತಿತ್ತು. ಕೇಂದ್ರ ಸಹಕಾರಿ ಕಾರ್ಯಕ್ಷೇತ್ರದ ಚಟುವಟಿಕೆಗಳನ್ನು ಗಮನಿಸಿ ಸಹಕಾರಕ್ಕೆ ಪ್ರತ್ಯೇಕ ಸಚಿವಾಲಯ ಅಗತ್ಯತೆ ಎಂಬುದನ್ನು ಮನಗಂಡು ದಿನಾಂಕ 06.07.2021 ರಂದು ಪ್ರತ್ಯೇಕ ಸಹಕಾರ ಸಚಿವಾಲಯವನ್ನು ಪ್ರಾರಂಭಿಸಲಾಯಿತು.

ಸಹಕಾರ ಸಚಿವಾಲಯ ರಚನೆಯ ಉದ್ದೇಶ :

"ಸಹಕಾರ್ ಸೇ ಸಮೃದ್ಧಿ" (ಸಹಕಾರದ ಮೂಲಕ ಸಮೃದ್ಧಿ) ದೃಷ್ಟಿಯನ್ನು ಸಾಕಾರಗೊಳಿಸಲು. ಸಹಕಾರಿ ಸಂಸ್ಥೆಗಳಿಗೆ "ವ್ಯವಹಾರವನ್ನು ಸುಲಭಗೊಳಿಸಲು" ಪ್ರಕ್ರಿಯೆಗಳನ್ನು ಸುಗಮಗೊಳಿಸಲು ಮತ್ತು ಬಹು-ರಾಜ್ಯ ಸಹಕಾರಿಗಳ (MSCS) ಅಭಿವೃದ್ಧಿಯನ್ನು ಸಕ್ರಿಯಗೊಳಿಸಲು ದೇಶದಲ್ಲಿ ಸಹಕಾರ ಚಳುವಳಿಗಳನ್ನು ಬಲಪಡಿಸಲು ಪ್ರತ್ಯೇಕ ಆಡಳಿತಾತ್ಮಕ, ಕಾನೂನು ಮತ್ತು ನೀತಿ ಚೌಕಟ್ಟನ್ನು ಒದಗಿಸುವುದು. ತಳಮಟ್ಟದವರೆಗೆ ತಲುಪುವ ನಿಜವಾದ ಜನಾಧಾರಿತ ಚಳುವಳಿಯಾಗಿ ಸಹಕಾರವನ್ನು ಆಳಗೊಳಿಸುವುದು.

ಕೇಂದ್ರದಲ್ಲಿ ಈ ಇಲಾಖೆಯನ್ನು ಕೃಷಿ ಇಲಾಖೆಯ ಜೊತೆಗೆ ಕೂಡಿಸಿದ್ದ ಪರಿಣಾಮವಾಗಿ ಮತ್ತು ಸಹಕಾರ ರಾಜ್ಯಗಳ ವಿಷಯವಾಗಿರುವುದರಿಂದ ರಾಜ್ಯಗಳೇ ಈ ಬಗ್ಗೆ ಆಸಕ್ತಿವಹಿಸಿ ಕಾರ್ಯನಿರ್ವಹಿಸಲಿ ಎಂಬ ಧೋರಣೆಯನ್ನು ಕೇಂದ್ರ ತಳೆಯುತ್ತ ಬಂದು ಸಹಕಾರ ಕ್ಷೇತ್ರದ ಅಹವಾಲುಗಳನ್ನು ಕೇಳುವವರಿಲ್ಲದೆ ಸಹಕಾರ ಕ್ಷೇತ್ರ ಒಂದು ರೀತಿಯಲ್ಲಿ ಅನಾಥವಾದಂತಾಗಿತ್ತು. ಪ್ರಸ್ತುತ ಕೇಂದ್ರ ಸರಕಾರ ಈ ವಿಷಯದ ಬಗ್ಗೆ ಎಚ್ಚತ್ತುಕೊಂಡು ಕೇಂದ್ರದಲ್ಲಿ ಪ್ರತ್ಯೇಕ ಸಚಿವಾಲಯದ ಅಗತ್ಯತೆಯನ್ನು ಮನಗಂಡು ಪ್ರತ್ಯೇಕ ಸಚಿವಾಲಯವನ್ನು ಪ್ರಾರಂಭಿಸಿರುವುದು ಸ್ವಾಗತಾರ್ಹ.

ಈ ಸಹಕಾರ ಸಚಿವಾಲಯ ಪ್ರಾರಂಭವಾಗಿನಿಂದ ದೇಶದ ಸಹಕಾರ ಕ್ಷೇತ್ರಕ್ಕೆ ಹೊಸ ತಿರುವು ಬಂದಂತಹ ಸಹಕಾರ ಕೃಷಿಯೇತರ ಹೊಸ ಸಹಕಾರ ನೀತಿಯನ್ನು ಘೋಷಿಸಲು ಸಿದ್ಧವಾಗಿದೆ. ದೇಶದಲ್ಲಿ ಕೃಷಿ ಪತ್ತಿನ ಸಹಕಾರ ಸಂಘಗಳನ್ನು 90 ಸಾವಿರ ಸಹಕಾರ ಸಂಘಗಳನ್ನು 2 ಲಕ್ಷದವರೆಗೆ ಹೆಚ್ಚಿಸಲು ಹಾಗೂ ಪ್ರತಿ ಗ್ರಾಮಕ್ಕೊಂದರಂತೆ ಪ್ರಾಥಮಿಕ ಸಹಕಾರ ಕೃಷಿ ಪತ್ತಿನ ಸಹಕಾರ ಅಲ್ಲದೆ ದೇಶದಲ್ಲಿ ಸಹಕಾರ ವಿಶ್ವವಿದ್ಯಾಲಯವನ್ನು ಪ್ರಾರಂಭಿಸಲು ಅಗತ್ಯ ಕ್ರಮಗಳನ್ನು ಇಡಲಾಗಿದೆ ಅದರ ಜೊತೆಗೆ ಸಹಕಾರ ಕ್ಷೇತ್ರದ ವಿರಾಟ ಸ್ವರೂಪದ ಬಗ್ಗೆ ಸಹಕಾರಿ ಕಾರ್ಯಕರ್ತರುಗಳು ಸಂಪೂರ್ಣ ಜ್ಞಾನ ಹೊಂದಿರಬೇಕು. ದೇಶದಲ್ಲಿ 8.5 ಲಕ್ಷ ಸಹಕಾರಿಗಳು ರಾಜ್ಯದಲ್ಲಿ 45000 ಸಹಕಾರಿ ಸಂಸ್ಥೆಗಳು, ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕ್ಷೇತ್ರದಲ್ಲಿ 6514 ಸಹಕಾರಿಗಳು ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿವೆ. ಈ ದೇಶದ ಮುಖ್ಯವಾಹಿನಿಯಲ್ಲಿ ಸಹಕಾರಿ ಕ್ಷೇತ್ರವನ್ನು ತೊಡಗಿಸಿಕೊಳ್ಳಲು ಸಾಧ್ಯವಾಗುವಂತೆ ಕೇಂದ್ರ ಸಹಕಾರ ಸಚಿವಾಲಯದ ಮೂಲಕ ದೇಶದಾದ್ಯಂತ ಸಹಕಾರಿಗಳಲ್ಲಿ ಸಂಚಲನ ಮೂಡಿಸುವಂತಹ ಕಾರ್ಯಗಳು ನಡೆಯುತ್ತಿರುವುದನ್ನು ಸಹಕಾರಿಗಳು ಗಮನಿಸಬೇಕು. "ದೇಶಕ್ಕೆ ಒಂದು ಸಹಕಾರ ನೀತಿ, ಸಹಕಾರ ವಿಶ್ವವಿದ್ಯಾಲಯ ಸ್ಥಾಪನೆ, ರಾಷ್ಟ್ರ ಮಟ್ಟದ ಬಹು ರಾಜ್ಯ ಬೀಜಗಳ ಸಹಕಾರ ಸೊಸೈಟಿ, ರಾಷ್ಟ್ರೀಯ ಬಹು ರಾಜ್ಯ ಸಾವಯವ ಸಹಕಾರ ಸಂಘ, ರಾಷ್ಟ್ರೀಯ ಮಟ್ಟದ ಬಹು ರಾಜ್ಯ ಸಹಕಾರ ರಫ್ತು ಸೊಸೈಟಿಗಳ ರಚನೆ" ಮುಂತಾದ ಚಟುವಟಿಕೆಗಳ ಬಗ್ಗೆ ಅಧ್ಯಯನ ಹಾಗೂ ಅವುಗಳಲ್ಲಿ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳಿಗೆ ಇರುವ ಅವಕಾಶಗಳ ಅನ್ವೇಷಣೆ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ಕಾರ್ಯವಾಗಬೇಕು.

ಈ ಸಚಿವಾಲಯದ ನೇತೃತ್ವದಲ್ಲಿ ಹಲವಾರು ಪ್ರಗತಿಪರ ಕಾರ್ಯಕ್ರಮಗಳನ್ನು ಹಮ್ಮಿಕೊಳ್ಳಲಾಗುತ್ತಿದೆ. ಅದರಲ್ಲಿ ಅತ್ಯಂತ ಪ್ರಮುಖವಾಗಿರುವುದು ಕೇಂದ್ರದಲ್ಲಿ "ಸಹಕಾರ ವಿಶ್ವವಿದ್ಯಾಲಯ" ಸ್ಥಾಪಿಸಲು ಮುಂದಾಗಿರುವುದು ಅತ್ಯಂತ ಮಹತ್ವದ್ದಾಗಿದೆ. ಸಹಕಾರಿ ಕ್ಷೇತ್ರದ ಸಾಧನೆಗಳಿಗೆ ಕೆಲವು ಸಂದರ್ಭಗಳಲ್ಲಿ ಹಿನ್ನೆಡೆ ಎನಿಸುವುದು ಸಹಕಾರಿಗಳಲ್ಲಿ ಹೆಚ್ಚಿನ ಜ್ಞಾನ ಹಾಗೂ ವೃತ್ತಿಪರತೆಯ ಕೊರತೆಗಳನ್ನು ನಿವಾರಿಸಲು ವಿಶ್ವವಿದ್ಯಾಲಯ ನೆರವಾಗಲಿದೆ ಸಹಕಾರ ಕ್ಷೇತ್ರಕ್ಕೆ ಹೆಚ್ಚಿನ ಬಲ ಬಹುದಾಗಿದೆ ಎಂದು ಆಶಿಸಲಾಗಿದೆ. ರಾಜ್ಯದ ಎಲ್ಲಾ ಪ್ರಾಥಮಿಕ ಕೃಷಿ ಪತ್ತಿನ ಸಹಕಾರ ಸಂಘಗಳಿಗೆ ಕಾಮನ್ ಸಾಫ್ಟ್‌ವೇರ್ ಹಾಗೂ ಕೇಂದ್ರೀಕೃತ ಗಣಕೀಕರಣ ವ್ಯವಸ್ಥೆಯನ್ನು ಕೇಂದ್ರದ ಸಹಕಾರ ಸಚಿವಾಲಯ ರೂಪಿಸಿದೆ.

ಸೌಹಾರ್ದ ಸಹಕಾರ ಕಾಯ್ದೆ 1997

ಸಹಕಾರಿ ಕ್ಷೇತ್ರವನ್ನು ಪುನರ್ರಸಂಘಟಿಸುವ ಮತ್ತು ಅವುಗಳನ್ನು ವ್ಯವಹಾರಿಕ ಹಾಗೂ ಆರ್ಥಿಕ ಸಂಘಟನೆಗಳೆಂದು ಗುರುತಿಸಿ ಖಾಸಗಿ ವಲಯದ ಸ್ಪರ್ಧೆ ಎದುರಿಸಿ ನಿಲ್ಲುವಂತಾಗಲು ಅನುವು ಮಾಡಿಕೊಡುವುದಕ್ಕಾಗಿ ಕೇಂದ್ರ ಯೋಜನಾ ಆಯೋಗದ ಶಿಫಾರಸ್ಸಿನ ಮೇರೆಗೆ ಕರ್ನಾಟಕದಲ್ಲಿ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕಾಯ್ದೆಯನ್ನು ರಚಿಸಿ 2001ರಲ್ಲಿ ಜಾರಿಗೆ ತರಲಾಗಿದೆ. ಜನವರಿ 2025ಕ್ಕೆ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕಾಯ್ದೆ ಜಾರಿಗೆ ಬಂದು 25 ವರ್ಷಗಳಾಗಿವೆ. ಈ ಅವಧಿಯಲ್ಲಿ ರಾಜ್ಯದಲ್ಲಿ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ಸಂಖ್ಯೆ ವೇಗವಾಗಿ ಹೆಚ್ಚುತ್ತಿದ್ದು ಪತ್ತಿನ ಸಹಕಾರಿಗಳು, ಗ್ರಾಹಕರ ಸಹಕಾರಿಗಳು, ಪಟ್ಟಣ ಸಹಕಾರಿ ಬ್ಯಾಂಕ್‌ಗಳು, ವಿವಿಧೋದ್ದೇಶ ಸಹಕಾರಿಗಳು, ಶೈಕ್ಷಣಿಕ ಸಹಕಾರಿಗಳು ಹೀಗೆ ಒಟ್ಟಾರೆ 20 ವಿಧವಾದ ಚಟುವಟಿಕೆಗಳನ್ನು ನಡೆಸುವ 6514 ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳು ನೋಂದಣಿಯಾಗಿ ಯಶಸ್ವಿಯಾಗಿ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿವೆ. ರಾಜ್ಯದ ಎಲ್ಲಾ ಜಿಲ್ಲಾ ಕೇಂದ್ರಗಳಲ್ಲಿ, ತಾಲ್ಲೂಕು ಹಾಗೂ ಗ್ರಾಮೀಣ ಪ್ರದೇಶಗಳಲ್ಲಿ ಈ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳು ಉತ್ತಮವಾಗಿ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿವೆ.

ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕ್ಷೇತ್ರದ ಪ್ರಗತಿ

ವಿವರ	2020-21	2021-22	2022-23	2023-24	2024-25
ಸಹಕಾರಿಗಳ ಸಂಖ್ಯೆ	5298	5534	5597	6194	6514
ಸದಸ್ಯರು	62 ಲಕ್ಷ	64 ಲಕ್ಷ	64 ಲಕ್ಷ	72 ಲಕ್ಷ	72 ಲಕ್ಷ
ಶೇರು ಬಂಡವಾಳ	989 ಕೋಟಿ	1,047 ಕೋಟಿ	1,047 ಕೋಟಿ	1610 ಕೋಟಿ	1630 ಕೋಟಿ
ಲೇವಣಿಗಳು	24,172 ಕೋಟಿ	24,352 ಕೋಟಿ	27,352 ಕೋಟಿ	43,704 ಕೋಟಿ	44,793 ಕೋಟಿ
ನೀಡಿದ ಸಾಲಗಳು	18,839 ಕೋಟಿ	20,596 ಕೋಟಿ	20,596 ಕೋಟಿ	34,030 ಕೋಟಿ	35,747 ಕೋಟಿ
ದುಡಿಯುವ ಬಂಡವಾಳ	27,663 ಕೋಟಿ	30,872 ಕೋಟಿ	30,872 ಕೋಟಿ	49,396 ಕೋಟಿ	51,064 ಕೋಟಿ
ಲಾಭ	321 ಕೋಟಿ	365 ಕೋಟಿ	365 ಕೋಟಿ	626 ಕೋಟಿ	735 ಕೋಟಿ
ಕಾಯ್ದು ನಿಧಿಗಳು	2,180 ಕೋಟಿ	2,270 ಕೋಟಿ	2,270 ಕೋಟಿ	3,690 ಕೋಟಿ	3,992 ಕೋಟಿ
ಉದ್ಯೋಗ ದಲ್ಲಿರುವವರು	55000	58000	60000	61,000	75000
ಇ-ಸ್ಟಾಂಪಿಂಗ್ ಕೇಂದ್ರಗಳು	1372	1505	1624	1631	1710

ಕರ್ನಾಟಕ ರಾಜ್ಯ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕ್ಷೇತ್ರ

ಸಹಕಾರಿಗಳು ಆರ್ಥಿಕ ಸ್ವಾತಂತ್ರ ಮತ್ತು ಸ್ವಾಯತ್ತತೆಯೊಂದಿಗೆ ಕಾರ್ಯನಿರ್ವಹಿಸುವ ಅಗತ್ಯತೆಯ ಮೇರೆಗೆ ಕೇಂದ್ರ ಸರ್ಕಾರ ರಚಿಸಿದ್ದ ಶ್ರೀ ಅರ್ಧನಾರೀಶ್ವರನ್ ಅಧ್ಯಕ್ಷತೆಯ ಸಮಿತಿಯ ವರದಿ ಹಾಗೂ ಸದಸ್ಯರಿಗೆ ಹೆಚ್ಚು ಅಧಿಕಾರ ನೀಡುವ, ಸಹಭಾಗಿತ್ವವನ್ನು ಹೆಚ್ಚಿಸುವ, ಸಹಕಾರಿ ಸಂಘಗಳಿಗೆ ಚಟುವಟಿಕೆ ನಡೆಸಲು ಮುಕ್ತ ವಾತಾವರಣ ನಿರ್ಮಿಸುವಂತಹ ಶ್ರೀ ಚೌಧರಿ ಬ್ರಹ್ಮಪ್ರಕಾಶರವರ ನೇತೃತ್ವದಲ್ಲಿ ಸಮಿತಿ ನೀಡಿದ ಮಾದರಿ ಸಹಕಾರಿ ಕಾಯ್ದೆಯನ್ವಯ, ವಿವರವಾದ ಅಧ್ಯಯನದ ಫಲವಾಗಿ ಯೋಜನಾ ಆಯೋಗ ರೂಪಿಸಿದ ಮಾದರಿ ಸಹಕಾರಿ ಕಾಯ್ದೆಗನುಗುಣವಾಗಿ ನಮ್ಮ ರಾಜ್ಯದಲ್ಲಿ 1997ರಲ್ಲಿ “ಕರ್ನಾಟಕ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕಾಯ್ದೆ” ರಚನೆಯಾಗಿ ರಾಷ್ಟ್ರಪತಿಗಳಿಂದ ಅಂಕಿತಗೊಂಡು 01-01-2001 ರಿಂದ ಜಾರಿಗೆ ಬಂದಿದೆ.

ಜವಾಬ್ದಾರಿಯುತ ಸದಸ್ಯ, ಸ್ವಯಂ ಆಡಳಿತ ನಿರ್ವಹಣೆ, ಪ್ರಗತಿಪರ ಕಾರ್ಯಕ್ರಮಗಳು ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ಯಶಸ್ಸಿನ ತಳಹದಿ. “ಸ್ವಾಯತ್ತತೆ, ಸ್ವಯಂ ಆಡಳಿತ ಹಾಗೂ ಸ್ವಯಂ ನಿಯಂತ್ರಣ” ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ಧೈಯವನ್ನಾಗಿಸಿಕೊಂಡು ರಾಜ್ಯದ ಸಹಕಾರ ಕ್ಷೇತ್ರಕ್ಕೆ ವೇಗವನ್ನು ನೀಡಿರುವ ಶ್ರೇಯ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳದ್ದು. ಇಂತಹ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ಕಾರ್ಯಚಟುವಟಿಕೆಯ ಗುಣಮಟ್ಟವನ್ನು ಹೆಚ್ಚಿಸುವ ನಿಟ್ಟಿನಲ್ಲಿ ನಿರಂತರ ಪ್ರಯತ್ನ ಮಾಡುತ್ತ, ಶಾಸನಬದ್ಧ ಕಾರ್ಯನಿರ್ವಹಣೆ, ತರಬೇತಿ, ಪ್ರಚಾರ, ಶಿಕ್ಷಣ ಚಟುವಟಿಕೆಗಳನ್ನು ಸೌಹಾರ್ದ ಸಹಕಾರ ಕ್ಷೇತ್ರದ ಮಾತೃ ಸಂಸ್ಥೆಯಾಗಿ ಕರ್ನಾಟಕ ರಾಜ್ಯ ಸೌಹಾರ್ದ ಸಂಯುಕ್ತ ಸಹಕಾರಿ ನಿ., ಬೆಂಗಳೂರು ಇದು ನಡೆಸುತ್ತ ಬಂದಿದೆ.

ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ವಿಶೇಷತೆಗಳು :

- ಸರಕಾರದ ಆರ್ಥಿಕ ನೆರವು ಪಡೆಯದೆ ತಮ್ಮ ಸದಸ್ಯರ ಹಣದಿಂದಲೇ ಸಹಕಾರಿಗಳು ಕಾರ್ಯ ನಿರ್ವಹಿಸುತ್ತವೆ.
- ಸಹಕಾರಿಯ ಸಂಪೂರ್ಣ ಒಡೆತನ, ನಿರ್ವಹಣೆ ಹಾಗೂ ನಿಯಂತ್ರಣ ಸದಸ್ಯರಿಗೆ, ಸಹಕಾರಿಗಳಿಗೆ ಹೆಚ್ಚು ಜವಾಬ್ದಾರಿ ಹಾಗೂ ಹೆಚ್ಚಿನ ವ್ಯವಹಾರಿಕ ಸ್ವಾತಂತ್ರ್ಯ.
- ಸಹಕಾರಿಗಳಿಗೆ ಆರ್ಥಿಕ ಉದ್ದಿಮೆಯ ಸ್ಥಾನ, ಸಹಕಾರಿ ತತ್ವಗಳನ್ನು ಕಾನೂನಿನಲ್ಲಿ ಅಳವಡಿಸಿ ಮಾರ್ಗದರ್ಶನ ವ್ಯವಸ್ಥೆ.
- ಸಹಕಾರಿಯ ಸಿಬ್ಬಂದಿಯ ನೇಮಕಾತಿ, ವೇತನ ಶ್ರೇಣಿ ನಿರ್ಧರಿಸುವುದು, ಬಡ್ತಿ ಇತ್ಯಾದಿಗಳಿಗೆ ಸಾಮಾನ್ಯ ಸಭೆಯ ನಿರ್ಣಯವೇ ಅಂತಿಮ.
- ಸಹಕಾರಿಗಳ ಮೇಲ್ವಿಚಾರಣೆ, ಉಸ್ತುವಾರಿ, ನಿಯಂತ್ರಣ ಇತ್ಯಾದಿಗಳ ಜವಾಬ್ದಾರಿಯನ್ನು ಸಹಕಾರಿಗಳಿಂದಲೇ ಶಾಸನಬದ್ಧವಾಗಿ ರಚಿತವಾಗಿರುವ ಸಂಯುಕ್ತ ಸಹಕಾರಿಗೆ ವಹಿಸಲಾಗಿದೆ.
- ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ಲೆಕ್ಕಪರಿಶೋಧನೆಯನ್ನು ವೃತ್ತಿನಿರತ ಚಾರ್ಟೆಡ್ ಅಕೌಂಟೆಂಟರು ಮಾಡುತ್ತಾರೆ. ಮತ್ತು ಅವರು ಸಂಘದ ಸಾಮಾನ್ಯ ಸಭೆಯಲ್ಲಿ ಭಾಗವಹಿಸುವುದು ಮತ್ತು ಸದಸ್ಯರ ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಗಳನ್ನು ನೀಡುವುದು ಕಡ್ಡಾಯ.

- ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ಸದಸ್ಯರು ಕನಿಷ್ಠ ವ್ಯವಹಾರ ಮಾಡುವುದು ಕಡ್ಡಾಯ. ಮತ್ತು ಸಾಮಾನ್ಯ ಸಭೆಗಳಿಗೆ ಹಾಜರಾಗುವುದು ಅವಶ್ಯಕ.
- ಸಹಕಾರಿಯ ನೋಂದಣಿ, ಉಪವಿಧಿಗಳ ತಿದ್ದುಪಡಿ, ವಿವಾದಗಳ ಇತ್ಯರ್ಥ, ಸಹಕಾರಿಯ ಕೋರಿಕೆಯ ಮೇರೆಗೆ ವಿಚಾರಣೆ ಮತ್ತು ಸಹಕಾರಿಯ ಸಮಾಪನೆ ಮಾತ್ರ ಸಹಕಾರಿ ನಿಬಂಧಕರ ಜವಾಬ್ದಾರಿ.
- ದೇಶದಲ್ಲಿಯೇ ನೂತನ & ವಿಶಿಷ್ಟವಾದ ಸಂಸ್ಥೆಯನ್ನು ಕಾಯ್ದೆಯಲ್ಲಿಯೇ ರಚನೆಗೊಂಡ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕರ್ನಾಟಕದಲ್ಲಿ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿದೆ. ಈ ಸಂಸ್ಥೆಯ ಮೂಲಕ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳ ಮೇಲ್ವಾರಿ, ನಿಯಂತ್ರಣ, ತರಬೇತಿ ಮತ್ತು ಪ್ರಚಾರ ಕಾರ್ಯಗಳನ್ನು ಕೈಗೊಳ್ಳಲಾಗುತ್ತಿದೆ. ಕೋವಿಡ್-19ರ ಸಂದರ್ಭದ ಕಾಲದಲ್ಲಿಯೂ ಸಹ ಸಹಕಾರಿಗಳಿಗೆ ತಂತ್ರಜ್ಞಾನ ಬಳಸಿಕೊಂಡು ಆನ್‌ಲೈನ್ ತರಬೇತಿ/ ತಾಂತ್ರಿಕ ಶಿಕ್ಷಣವನ್ನು ಒದಗಿಸುವ ಕಾರ್ಯ ಸಂಯುಕ್ತ ಸಹಕಾರಿ ವತಿಯಿಂದ ನಡೆದಿರುತ್ತದೆ.
- ರಾಜ್ಯದ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕ್ಷೇತ್ರದ ಪ್ರಗತಿಯ ಪಕ್ಷಿನೋಟ : ರಾಜ್ಯದಲ್ಲಿ ಈ 6514 ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳು ನೋಂದಣಿಯಾಗಿವೆ. ರಾಜ್ಯದ ಸೌಹಾರ್ದ ಸಹಕಾರಿ ಕ್ಷೇತ್ರದಲ್ಲಿ 72 ಲಕ್ಷಕ್ಕೂ ಹೆಚ್ಚು ಸದಸ್ಯರು ತೊಡಗಿಸಿಕೊಂಡಿದ್ದಾರೆ.

ಕಾರ್ಯಚಟುವಟಿಕೆ: ಮೇಲ್ಕಂಡ ವಿಶೇಷತೆಗಳೊಂದಿಗೆ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿರುವ ಸೌಹಾರ್ದ ಸಹಕಾರಿಗಳು, ಪತ್ತಿನ ಸಹಕಾರಿಗಳು, ಗ್ರಾಹಕರ ಸಹಕಾರಿಗಳು, ಪಟ್ಟಣ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳು, ವಿವಿಧೋದ್ದೇಶ ಸಹಕಾರಿಗಳು, ಶೈಕ್ಷಣಿಕ ಸಹಕಾರಿಗಳು, ಪ್ರವಾಸೋದ್ಯಮ ಹೀಗೆ ಒಟ್ಟಾರೆ ಹಲವು ವಿಧವಾದ ಚಟುವಟಿಕೆಗಳನ್ನು ನಡೆಸುತ್ತಿದ್ದಾರೆ.

ಸಹಕಾರ ನುಡಿಕಟ್ಟುಗಳು

ಬಡವ ಬಲ್ಲಿದ ಭೇದ ಅರಿಯದು; ಸಹಕಾರ.
 ಗ್ರಹ ತಾರೆಗಳ ಚಲನೆಗೆ ಸಹಕಾರವೇ ನಿತ್ಯ ಪಥ.
 ಶಾಂತಿ, ಸಮಾನತೆ ಸಾರುವ ಸತ್ಯದ ಹಾದಿ; ಸಹಕಾರ.
 ಪರಿಪಕ್ವ ಬದುಕಿಗೆ ಸಹಕಾರವೇ ಬುನಾದಿ.
 ಪರಿಸರದ ಪ್ರತಿರೂಪವೇ ಸಹಕಾರ.
 ಸಹಕಾರ ಬಲ್ಲವನೊಂದಿಗೆ ದೈವ ಸದಾ ಸಂಗಾತಿ.
 ಸಹಕಾರದ ಸತ್ಯದ ಅರಿವೇ ದೈವತ್ವದ ದರ್ಶನಕ್ಕೆ ನಾಂದಿ.
 ನಿನ್ನನ್ನು ನೀನು ಅರಿಯಲು ಸಹಕಾರ ಆಶ್ರಯಿಸು.
 ಸಾಕೆನ್ನುವವನೇ ಸಹಕಾರಿ, ಬೇಕೆನ್ನುವವನೇ ಬಡವ.
 ಉದಾತ್ತ ಧೈಯಗಳ ಆಗರವೇ ಸಹಕಾರ.

ಪಟ್ಟಣ ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳು ಬೆಳೆದು ಬಂದ ದಾರಿ :

ರಿಸರ್ವ್ ಬ್ಯಾಂಕಿನಲ್ಲಿ ಲಭ್ಯವಿರುವ ವಾರ್ಷಿಕ ಆಯ-ವ್ಯಯ ಸಹಕಾರ ಇತಿಹಾಸದ ಪುಟಗಳಲ್ಲಿ ಮೊಟ್ಟಮೊದಲು 1889ರಲ್ಲಿ ಆಗೀನ ಗುಜರಾತಿನ ಬರೋಡಾದಲ್ಲಿ “ಅನ್ಯೋನ್ಯ ಸಹಕಾರ ಮಂಡಳಿ”ದ ಹೆಸರು ಅಚ್ಚಳಿಯದೇ ಉಳಿದಿದೆ. ಅಲ್ಲಿಂದ ಮುಂದೆ ಸಾಗಿ 15 ವರ್ಷಗಳ ನಂತರ ಅಂದರೆ 1904ರಲ್ಲಿ ಕೋ-ಆಪರೇಟಿವ್ ಕ್ರೆಡಿಟ್ ಸೊಸೈಟಿ ಆಕ್ಟ್ ಜಾರಿಯಲ್ಲಿ ಬಂದು ಸಹಕಾರ ಚಳುವಳಿಗೆ ಶಾಸನಾತ್ಮಕ ಬಲ ಬಂದಿತೆನ್ನಬಹುದು. ಗದಗ ಜಿಲ್ಲೆ ಕಣಗಿನಹಾಳ ಹಾಗೂ ಗದಗ ಬೇಟಗೇರಿಯಲ್ಲಿ ಸಹಕಾರ ಬ್ಯಾಂಕು 1905ರಲ್ಲಿ ಮೊದಲು ಆರಂಭಗೊಂಡ ಬಗ್ಗೆ ಉಲ್ಲೇಖಗಳು ದೊರೆಯುತ್ತವೆ. ನಂತರ 1912ರಲ್ಲಿ ಸದರಿ ಶಾಸನ ಪುನರಚನೆಗೊಂಡು, 1915ರಲ್ಲಿ ನೇಮಿಸಿದ ವಿಶೇಷ ಕೇಂದ್ರ ಸಮಿತಿಯು ಪಟ್ಟಣ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳಿಗೆ ವಿಶೇಷ ಸ್ಥಾನಮಾನ ಕಲ್ಪಿಸಿ ಅಭಿವೃದ್ಧಿಗೆ ನಾಂದಿ ಹಾಡಿತು.

1913-1914ರಲ್ಲಿ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿದ್ದ 57 ವಾಣಿಜ್ಯ ಬ್ಯಾಂಕುಗಳು ಆರ್ಥಿಕವಾಗಿ ಅದಃಪತನಗೊಂಡಾಗ ಕೇಂದ್ರ ಸರಕಾರವು ನಿರ್ದೇಶನ ಹೊರಡಿಸಿ ಸರಕಾರಿ/ ಸರ್ಕಾರೇತರ ಠೇವಣಿಗಳನ್ನು ಕೇವಲ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳಲ್ಲಿ ಮಾತ್ರ ಜಮಾಮಾಡಲು ಆದೇಶ ನೀಡಿದ್ದು ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳ ಮೇಲೆ ಕೇಂದ್ರ/ ರಾಜ್ಯ ಸರಕಾರಗಳ ವಿಶ್ವಾಸ ಮತ್ತು ಭರವಸೆಯ ಸಂಕೇತವಾಗಿರುತ್ತದೆ. ನಂತರ ಭಾರತೀಯ ಕೇಂದ್ರ ಬ್ಯಾಂಕಿಂಗ್ ಎನ್‌ಕ್ವಯಿರಿ ಕಮೀಟಿ (1931), ಮಹಾ ಬನ್ನಾಲ ಕಮೀಟಿ (1939), ಕೋ-ಆಪರೇಟಿವ್ ಪ್ಲಾನಿಂಗ್ ಕಮೀಟಿ (1946), ರೂರಲ್ ಬ್ಯಾಂಕಿಂಗ್ ಎನ್‌ಕ್ವಯಿರಿ ಕಮೀಟಿ (1950), ಭಾರತೀಯ ರಿಜರ್ವ್ ಬ್ಯಾಂಕಿನ ಸಮಿತಿ (1958-1959), ವರದಿ ಕಮೀಟಿ (1963), ದಾಮಿ ಕಮೀಟಿ (1968), ಬ್ಯಾಂಕಿಂಗ್ ಕಮೀಷನ್ (1969), ಮಾಧವದಾಸ ಕಮೀಟಿ (1979), ಹಾಟಿ ವರ್ಕಿಂಗ್ ಗ್ರೂಪ್ (1981), ಮಾಧವರಾವ್ ಕಮೀಟಿ (1999). ಹೀಗೆ ಹಲವಾರು ಆರ್.ಬಿ.ಐ. ಕೇಂದ್ರ/ ರಾಜ್ಯ ಸಮಿತಿಗಳ ಶಿಫಾರಸುಗಳು ಪಟ್ಟಣ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳು ಸದೃಢವಾಗಿ ಬೆಳೆಯಲು ಮತ್ತು ಸರಕಾರದ ಯಾವತ್ತೂ ಬೆಂಬಲ ದೊರೆಯಲು ಅನುಕೂಲವಾಯಿತು.

ಪಟ್ಟಣ ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳ ಕೆಲವು ವೈಶಿಷ್ಟ್ಯಗಳು

- ಸಹಕಾರ ಆಂದೋಲನಕ್ಕೆ ಸಂಬಂಧಪಟ್ಟ ರಾಜ್ಯ ಸರ್ಕಾರದ ಅಧಿಕಾರದ ಅಧೀನದಲ್ಲಿ ಬರುತ್ತವೆ. ಆದ್ದರಿಂದ ರಾಜ್ಯ ಸರ್ಕಾರವು ವಿಶೇಷ ಸಹಕಾರ ಸಂಘಗಳ ಕಾಯ್ದೆ ರಚಿಸಿ ಪೂರ್ಣಪ್ರಮಾಣದ ಅಧಿಕಾರ ಹೊಂದಿರುತ್ತದೆ.

- 1966 ಮಾರ್ಚ್‌ನಿಂದ ಅನ್ವಯವಾಗುವಂತೆ ಎಲ್ಲಾ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳನ್ನು ಬ್ಯಾಂಕಿಂಗ್ ರೆಗ್ಯುಲೇಶನ್ ಆಕ್ಟ್‌ನ ಪರಿಮಿತಿಯಲ್ಲಿ ಭಾರತೀಯ ರಿಜರ್ವ್ ಬ್ಯಾಂಕಿನ ಅಧಿಕಾರಕ್ಕೆ ಒಳಪಡಿಸಿ, ಬ್ಯಾಂಕಿನ ಕಾರ್ಯಕ್ಷೇತ್ರಗಳಾದ ಠೇವಣಿ ಸಂಗ್ರಹಣೆ, ನಗದು ಸಂಪನ್ಮೂಲ ಪ್ರಮಾಣ, ಹಾಗೂ ನಿರ್ವಹಣೆ ಸಾಲನೀತಿ, ಶಾಖಾ ವಿಸ್ತರಣೆ, ಲೆಕ್ಕಪರಿಶೋಧನೆ, ಇನ್ನಿತರ ವಿಷಯಗಳ ಮೇಲೆ ಹಿಡಿತ ಹೊಂದಿರುತ್ತದೆ.

- ಪಟ್ಟಣ ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳು ಸ್ಥಾನಿಕ ಮತ್ತು ಸಮುದಾಯ ಆಧಾರದ ಮೇಲೆ ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತವೆ.

- ಸದಸ್ಯರಿಗೆ ಮಾತ್ರ ಸಾಲ ಸೌಲಭ್ಯವಿರುತ್ತದೆ.

- ಸದಸ್ಯರ ಸಾಲದ ನಿಗದಿತ ಶೇಕಡಾವಾರು ಶೇರು ಬಂಡವಾಳ ತೊಡಗಿಸಬೇಕು.

- ಒಬ್ಬ ಸದಸ್ಯರಿಗೆ ಒಂದೇ ಮತ.

- ಸದಸ್ಯರು ಹೊಂದಬಹುದಾದ ಷೇರು ಬಂಡವಾಳದ ಮೇಲೆ ಕಡಿವಾಣ.

- ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳು ಸಂಬಂಧಪಟ್ಟ ರಾಜ್ಯ ಸರಕಾರ ಮತ್ತು ಭಾರತೀಯ ರಿಜರ್ವ್ ಬ್ಯಾಂಕಿನ ಜಂಟಿ ಆಡಳಿತ ಹಾಗೂ ಅಧಿಕಾರದ ಅಧೀನದಲ್ಲಿರುತ್ತದೆ.

- ಆಡಳಿತಾತ್ಮಕವಾಗಿ ಪಟ್ಟಣ ಸಹಕಾರಿ ಬ್ಯಾಂಕುಗಳನ್ನು ಟಯರ್ 1 ಮತ್ತು ಟಯರ್ 2 ಬ್ಯಾಂಕ್‌ಗಳೆಂದು ವಿಂಗಡಿಸಲಾಗಿದೆ.

ಪಟ್ಟಣ ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳ ನಿರ್ವಹಣೆ (Governance of Urban Co-operative Banks)

ಸಹಕಾರಿ ಸಂಘಗಳ ಕಾಯ್ದೆಯ ಚೌಕಟ್ಟಿನಲ್ಲಿ ಸದಸ್ಯರ ಹಿತ ಮತ್ತು ಬೇಡಿಕೆಗಳನ್ನು ಆಧರಿಸಿ ಅತಿ ಹೆಚ್ಚಿನ

ಲಾಭಗಳೀಸುವುದೇ ನಿರ್ವಹಣೆಯ ಮುಖ್ಯ ಗುರಿ ಎಂದು ಅಂತರರಾಷ್ಟ್ರೀಯ ಖ್ಯಾತ ಅರ್ಥಶಾಸ್ತ್ರಜ್ಞ ನೋಬೆಲ್ ಪಾರಿತೋಷಕ ವಿಜೇತ ಮಿಲ್ಟನ್ ಫ್ರಿಡಮನ್ ವ್ಯಾಖ್ಯಾನಿಸಿದ್ದಾರೆ. ಉತ್ತಮ ನಿರ್ವಹಣೆಯ ಮಾನದಂಡಗಳು ಈ ಕೆಳಗಿನಂತಿರುತ್ತವೆ.

a) Fairness - ಸ್ಪಷ್ಟ / ನಿಷ್ಪಕ್ಷಪಾತ c) Accountability - ಉತ್ತರದಾಯಿತ್ವ

b) Transparency - ಪಾರದರ್ಶಕತೆ d) Responsibility - ಜವಾಬ್ದಾರಿ

ನಿರ್ವಹಣೆಯ ಮೂಲ ತತ್ವಗಳು

1. ಬ್ಯಾಂಕಿನ / ಸಂಸ್ಥೆಯ ವ್ಯವಹಾರದ ಬಗ್ಗೆ ನಿರ್ದೇಶಕರು ಪೂರ್ಣಜ್ಞಾನ ಹೊಂದಿರಬೇಕು.

2. ಸಾಲಗಾರರನ್ನು ಸದಸ್ಯರನ್ನು ನಿಖರವಾಗಿ ಗುರುತಿಸುವುದು, ವ್ಯವಹಾರದಲ್ಲಿರುವ ನಷ್ಟದ ಸಾಧ್ಯತೆಗಳನ್ನು ಗುರುತಿಸಿ ನಿಖರವಾದ ಮಾರ್ಗಸೂಚಿಸುವುದು ಮತ್ತು ಆಂತರಿಕ ಬಿಗಿತ/ ಹಿಡಿತಗಳನ್ನು ರಚಿಸುವುದು ನಿರ್ದೇಶಕ ಮಂಡಳಿಯ ಜವಾಬ್ದಾರಿಯಲ್ಲಿರುತ್ತದೆ.

ಬ್ಯಾಂಕಿಂಗ್ ರೆಗ್ಯುಲೇಶನ್ ಆಕ್ಟ್ (1949) ರ ಅಡಿಯಲ್ಲಿ ಪಟ್ಟಣ ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳ ಮೇಲೆ ಇರುವ ಕೆಲವು ನಿಯಂತ್ರಣಗಳು:

1. ಭಾರತೀಯ ರಿಜರ್ವ್ ಬ್ಯಾಂಕಿನ ಮುಖ್ಯ ನಿಯಂತ್ರಣಗಳು:

- ಕನಿಷ್ಠ ಅಧಿಕೃತ ಬಂಡವಾಳ ಮತ್ತು ಕಾಯ್ದಿಟ್ಟ ನಿಧಿಗಳು.
- ನಗದು ಪ್ರಮಾಣ ಮತ್ತು ಸಂಪನ್ಮೂಲ ಪ್ರಮಾಣ.
- ಸಾಲ ಸೌಲಭ್ಯಗಳ ಮೇಲೆ ಕಡಿವಾಣ.
- ಬ್ಯಾಂಕಿನ ಲೆಕ್ಕಪತ್ರಗಳ ಪರಿಶೋಧನೆ ಅಧಿಕಾರ
- ಯಾವುದೇ ಸೂಚನೆ ನೀಡುವ ಅಧಿಕಾರ
- ದಂಡ ವಿಧಿಸುವ ಪರಮಾಧಿಕಾರ

2. ಸಹಕಾರ ಇಲಾಖೆಯ ಕಟ್ಟಳೆಗಳು/ ಅಧಿಕಾರ/ ನಿಯಂತ್ರಣಗಳು:

- ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳ ನೋಂದಣಿ
- ನಿರ್ದೇಶಕ ಮಂಡಳಿಯ ರಚನೆ
- ನಿರ್ದೇಶಕರನ್ನು ವಜಾಮಾಡುವುದು
- ಆಡಳಿತ ಮಂಡಳಿಯನ್ನು ವಜಾಮಾಡುವುದು
- ಲೆಕ್ಕಪರಿಶೋಧನೆ
- ವ್ಯವಹಾರಗಳ ಪರಿಶೀಲನೆ
- ಮುಖ್ಯ ಕಾರ್ಯನಿರ್ವಾಹಕ/ ಚೀರಮನ್/ ಡೈರೆಕ್ಟರ್ ಕಾರ್ಯಪರಿಶೀಲನೆ
- ಬ್ಯಾಂಕುಗಳ ಲೈಸೆನ್ಸ್ ರದ್ದು ಮಾಡಿ ಮುಕ್ತಾಯ ಮಾಡುವುದು

ಕಲಂ29-ವಾರ್ಷಿಕ ಲೆಕ್ಕಪತ್ರ ಮತ್ತು ತಃಖ್ತೆಗಳು/ ಅಡಾವೆ ಪತ್ರಿಕೆಗಳೂ/ ಲಾಭ ತಃಖ್ತೆ ಹಾನಿ ಪತ್ರಿಕೆಗಳು. ಕಲಂ 35- ಬ್ಯಾಂಕುಗಳ ಸಮಗ್ರ ಮೇಲ್ವಿಚಾರಣೆ. ಕಲಂ 35(ಎ) - ಕಾಲಕಾಲಕ್ಕೆ ಬ್ಯಾಂಕ್ ನಿರ್ವಹಣೆಯ ಬಗ್ಗೆ ಮಾರ್ಗಸೂಚಿ ನೀಡುವುದು. ಕಲಂ 36 - ರಿಜರ್ವ್ ಬ್ಯಾಂಕ್ ಹೊಂದಿರುವ ವಿಶೇಷ ಪರಮಾಧಿಕಾರ. ಕಲಂ 46- ದಂಡ ವಿಧಿಸುವುದು. ಕಲಂ47-ಅಪರಾಧಗಳನ್ನು ಪರಿಗಣಿಸಿ ಮುಂದಿನ ಕಾನೂನು ರೀತ್ಯ ಕ್ರಮ ಜರುಗಿಸುವ ಬಗ್ಗೆ ನಿರ್ದೇಶನ ನೀಡುವುದು. ಹಾಲಿ ದೇಶದಲ್ಲಿ 1562 ಪಟ್ಟಣ ಸಹಕಾರ ಬ್ಯಾಂಕುಗಳು ಕಾರ್ಯನಿರ್ವಹಿಸುತ್ತಿವೆ.

Banking Regulation Act 1949

We have different types of Banks in the country

Commercial banks, cooperative banks, Regional Rural banks and Private sector banks. Who give guidance to those banks, who controls them, who regulates them? The Reserve Bank of India Who has given powers to control those banks?

Banking Regulation Act 1949

Powers of RBI : The BR Act and the RBI Acts give the supervisory and regulatory powers to the RBI over the functions of all types of banks in India.

Banking Regulation Act 1949: The Banking Regulations Act 1949 was enacted on 16 March 1949, to consolidate the regulatory laws relating to banking and also to define the transactions that can be carried out by commercial banks in the country and to bring all commercial banks into its fold.

Though the BR Act was in existence, it was not applicable to the Cooperative banks for a long time

But when the deposits started increasing in the Coop sector, BR Act was made applicable to Coop banks also, with effect from 1 March 1966 with a nomenclature - BR Act 1949 (As Applicable to Coop Societies).

This Act gives supervisory and regulatory powers to RBI over the Coop banks.

But basically all cooperative banks are registered under the Cooperative Societies Act and therefore the powers regarding incorporation, management, elections to the Board of Directors still rest with the Registrar of Coop societies of the State or Centre concerned. So all cooperative banks come under dual control ie RBI and RCS.

Objectives of the Banking Regulation Act broadly are:

To safeguard the interest of depositors; to develop banking institutions on sound lines; and

to attune the monetary and credit system to the larger interests and priorities of the nation.

Let us discuss some of the important provisions of BR Act 1949

The Act was originally in force from 16 March 1949 as the Banking Companies Act, 1949. It was amended and renamed as Banking Regulation Act, 1949 and extended to the cooperative banks from 1 March 1966 as the Banking Regulation Act, 1949 (As

Applicable to Cooperative Societies) [B R Act, 1949 (AACS)].

Sec 56 : BR Act was made applicable to Cooperative societies - under the provision of Sec 56. As per this, a Cooperative Bank means a SCB, CCB and Primary Coop Bank.

Important provisions of BR Act 1949 , Sec 1 :The Act extends to whole of India and wef. 01.03.1966 Sec 3 : Nothing in this Act shall apply to certain Co-ops such as :

a) PACS,b) LDB and c) Other Coop Societies except in the manner and to the extent specified in the Act.

What is banking ? Definition of Bank

As per Sec 5(1)(b) of the Act Banking is the :

- The accepting deposits of money, withdraw able by cheque
- for the purpose of lending or investment
- of deposits of money
- from the public
- repayable on demand or otherwise and
- withdraw able by cheque, draft, order or otherwise.
- “Sec 5(1)(c) Banking company means
- any company which transacts the business of banking in India”

A cooperative bank is

- A State Cooperative Bank,
- A Central Cooperative Bank or
- A Primary Cooperative Bank - Section 5 (cci)

Some more Definitions are :

• A Primary Cooperative Bank is:
 • A cooperative society (other than a PACS) which accepts deposits from the public i.e., members and non-members and utilizes these for lending, will be deemed to be transacting banking business primarily in banking business

- with capital and reserves of not less than Rs.1 lakh &
- whose byelaws do not permit admission of any other society as a member.

Essential characters of a bank are :

- Acceptance of deposits from the public on different types of accounts

- Allowing withdrawals of these deposits by cheques, drafts, orders or otherwise
- Utilisation of deposits in hand for the purpose of lending or investments
- Performance of other activities called subsidiary services, in addition to the principal activities of receiving of deposits and lending of funds
- Performance of banking business as the main business
- Using the term Bank, banker or banking company as part of its name

What sorts of business it can conduct?

Sec 6 deals with the forms of business a coop bank can undertake: Coop banks in addition to banking can undertake following:

- Borrowing or raising money
- Lend money either on or without security
- 20 major activities like dealing in cheques and instrument, granting of letter of credits, providing safe deposit lockers, hold any property for the purpose of security against loans, acquisition, construction, maintenance of any building for the purpose of the bank etc. Further, GOI by notification, has specified hire purchase, equipment leasing and insurance as new forms of business, in which, it is lawful for coop banks to be engaged. Further, the RBI can issue guidelines for the conduct of above referred types of business activities.

Sec 7 : Use of word bank, banker , banking or banking company : No Coop society other than a Coop bank shall use as part of its name bank, banker or banking and no coop society shall carry on the business of banking in India unless it uses as part of its name at least one of such words.

What sort of activities it is prohibited to do from?..... Sec 8 Prohibition of trading

Coop bank is prohibited from

engaging directly or indirectly in any trading, buying, selling or bartering of goods (Goods means any movable property, other than auctionable claims, stock, shares, money, bullion etc referred to sec 6) for others, except for realisation of security given or held by it or in connection with the bills of exchange received for collection or negotiation.

Thus, basically a coop bank cannot undertake any trading activity What about doing estate business/acquisition of land and building?.....

Sec 9 -Deals with disposal of non banking assets.

Except required for its own, a coop bank is prohibited from holding immovable property, howsoever acquired, for more than 7 years.

If not, it can seek extension of period from RBI which may grant extension upto necessary period in the interest of depositors of the bank.2

What is the minimum share capital it has to have?.....

Sec 11 - deals with minimum paid up capital and reserves. As per this : No coop bank can commence or carry on the business of banking in India, unless the aggregate value of its paid up capital and reserves is not less than Rs. One lakh. If a Cooperative society wants to become a Coop bank, it has to work as a cooperative society atleast for a period of two years.

(Sec.s 12,12A, 13,15,16,17 shall be omitted)

Sec 14 A Prohibition on creating floating charge on bank's assets :No coop bank can create a floating charge on any property of the bank, unless it is certified by the RBI in writing, as not being detrimental to the interest of depositors.Can a bank utilise entire deposits it receives in loans and advances and other investments?..... As a precaution all banks are to keep a portion of deposits so received, in the form of CRR & SLR. What is meant by CRR ?..... It is Cash Reserve Ratio and

As per Sec 18 of BR Act : Every cooperative bank (not SCB) shall maintain in India by way of cash reserve with itself, & net balances in current account with SBI & its subsidiaries and Nationalised banks or by way of balance in a current account with the RBI or the State Coop bank of the State concerned or by way of net balances in current accounts with its higher financing agency (SCB) - a sum equivalent to atleast 3% of the total demand and time liabilities in India, as on the last Friday of the second preceding

Fort night and shall submit to the RBI before 15th day of every month a return in Form B showing the amount so held. The average cash balance maintained in such account should not be less than 3% (can be increased upto 20%) of the NDTL of the bank as on the last Friday of the second preceding fortnight.

Explanation.--For the purposes of this section, (a) "average daily balance" shall mean the average of the balances held at the close of business on each day of the fortnight (b) "fortnight" shall mean the period from

Saturday to the second following Friday, both days inclusive on alternate Fridays

during a month with particulars of its DTL. (c)Notified bank under this section are SBI, its subsidiaries and all Nationalised banks.

Similar to Sec 18 of BR Act - Sec 42(1) of RBI Act : Scheduled coop banks are governed by Sec 42(1) of RBI Act for this purpose.

Every bank included in the Second Schedule shall maintain with the RBI an average daily balance the amount of which shall not be less than three per cent of the total of the demand and time liabilities in India.

42 (6) (a) For the purpose of inclusion in Second Schedule the bank

- (i) has a paid-up capital and reserves of an aggregate value of not less than five lakhs of rupees, and

- (ii)satisfies the Bank that its affairs are not being conducted in a manner detrimental to the interest of its depositors, and

- 6. (b) direct the exclusion from that Schedule of any scheduled bank, the aggregate value of whose paid-up capital and reserves becomes at any time less than five lakhs of rupees, or

- which is in the opinion of the Bank after making an inspection under section 35 of the 1*[BR Act, 1949 conducting its affairs to the detriment of the interest of its depositors, or

- which goes into liquidation or otherwise ceases to carry on banking business:

In addition to regular banking, banks can purchase the shares of other cooperative institutions as a member. Then how many shares it can purchase?.....

Sec 19 Restriction on holding the shares in other coop societies - Bank shall not hold shares in any other coop society beyond the limit prescribed by the RBI.

Such total investments should not exceed 2% of its own funds or 5% of the subscribed share capital of such society.

Can a coop bank lend against its own shares?....Sec 20 Restriction on loans against its own shares and to Directors and their relatives.

20 (a) - A coop bank cannot grant loans and advances against its own shares

20 (b) - A coop bank cannot sanction unsecured advances to the Directors and to firms in which the Director is interested acting as partner or MD or guarantors or to individuals where the Director is the guarantor.

20A Without the prior approval of RBI, a coop bank cannot remit in whole or in part, any debt due by its past or present director or a firm where the Director is interested.

Advance portfolio of banks can be controlled by RBI

Sec 21 RBI's power to control advances of coop banks

RBI has powers to determine the policy in relation to advances to be followed Coop banks. It may be in general or - of a specific bank or - a specific activity. This is as a part of Selective Credit Control measure the RBI has. Under the powers conferred by this section 21, the RBI may issue directives to coop bank for the:

- a) Purpose for which advances may or may not be made
- b) Margins to be maintained in respect of secured advances
- c) Maximum amount of advances or other financial accommodation in relation to its paid up capital and reserves, may be made by a coop bank to any party
- d) Rate of interest, guarantees to be issued for such advances

Every coop bank is required to comply with whatever the directions issued by the RBI.

Banks may fix rate of interest, margin etc., but if some body goes to court against this ?.....

Sec 21A Rate of interest charged by bank not to be subjected of scrutiny by courts.

A transaction between a bank and its debtors cannot be reopened by any court on the ground that the rate of interest charged by the Coop bank in respect of any such transaction is excessive. However, courts can disallow excess interest and give relief, if it is proved that the interest charged and compounded is not in conformity with the rate and periodicity prescribed by RBI, if supported by reasons. How RBI grants licence?..... If somebody wants to open bank how to open?.

Sec 22 Licensing of coop banks : No coop bank can carry on banking business unless a license is issued by the RBI to the effect. However, in case of coop banks which were in existence as on 1 March 1966, were required to apply for a license to RBI within 3 months from 1 March 1966. Such banks were permitted to carry on banking business till their application for license is rejected by RBI. For an existing bank, before granting the license, the RBI by inspecting the books of accounts of the bank, will have

to satisfy itself on the following points:

- a) The bank is in a position to pay claims of the present and future depositors.
- b) The affairs of the bank are not / not likely being conducted in a manner detrimental to the interest of depositors
- c) General character of management of the bank will not be prejudicial to the public and the depositors
- d) The bank has adequate capital structure and earning prospects
- e) Public interest will be served by granting license.
- f) The opening of the bank in that area will not affect the banking system or monetary stability and economic growth of the country.
- g) Any other condition the RBI feels necessary

Similarly the bank can cancel the license already issued, if any of the above conditions are violated / not fulfilled.

The bank can appeal to the Central Govt against the RBI's decision to cancel the license. Sec 22 deals with opening of bank then what about branches.....

Sec 23 Deals with opening of branches by banks

Under the Sec 23, no Scheduled Coop bank (other than DCCB) can open its branches, without the prior permission / approval of the RBI.

Exception is opening of branch in shandies / special functions for a short period of 1 month

Sec 24 Maintenance of Statutory Liquidity Ratio (SLR)

Every bank shall maintain in form of cash, gold or unencumbered approved securities an amount, which shall not, at the close of business be less than 25 % of its DTL as specified by RBI from time to time.

Consequent upon amendment in the Act, w.e.f January 23, 2007, the minimum 25% has been removed and presently the SLR is 23%. This SLR shall not exceed 40% of DTL.

The eligible SLR include :

Excess cash maintained over and above the required CRR under Sec18 / 42(1).

Gold, valued at price, not exceeding market price

Unencumbered approved securities valued at cost price, or market price or book

value or face value as specified by RBI from time to time

Approved securities means, the securities approved under Sec 20 of Indian Trust Act 1882 and include Central and State Govt securities and others as prescribed by RBI.

On failure to maintain such CRR or SLR, the RBI is empowered to levy penalty on the bank and every Director/Manager of the bank who was responsible for such deficit.

The CRR and SLR, is to see that the banks have liquidity to meet the demand for cash in case of exigencies.

Sec 24 A Exemption from CRR & SLR : RBI by notification, may exempt a Coop bank or a class of banks from the provisions of Sec 18 & 24. Such notification may specify the period, branch, bank with or without any condition.

Sec 26 Unclaimed deposits : Every coop bank has to keep a record of all the accounts which are not operated or unclaimed for 10 years and submit a return to RBI in form VIII as at the end of the calendar year and within one month.

Sec 27 Monthly and other Returns : Every coop bank has to submit to RBI a monthly Return in prescribed form showing the assets and liabilities of the bank as at the close of business on last Friday of the month.

Under this provision, RBI may also prescribe any other Return to be submitted on a periodical basis.

Sec 28 Power to publish information : RBI may in the public interest publish information obtained by it under this act, in such a consolidated form as it thinks fit.

Sec 29 & 31 P&L A/c and B/S : Every coop bank has to prepare its Profit and loss account and the Balance sheet as at 31 March in the proforma set out in Third schedule to BR Act. These banks have to submit to RBI three copies of the P&L and B/s together with the Statutory Auditor's Report before 30 Sep every year. In case of failure to submit, the RBI under Secs 46 & 47 A of BR Act, may penalise the bank for non- submission.

Sec 35 : Inspection : RBI at any time may cause an inspection by its own officers or any officer authorised by it, of any Coop Bank and its books of accounts. RBI shall supply to the Coop Bank a copy of its report on such inspection.

Sec 35 A powers of RBI to give Directions : RBI can issue Directions to any coop bank in general or any coop in specific on any aspect of banking. The direction is issued in the interest of the public / depositors

Sec 36 Further powers and functions : RBI can caution, may give loan or advance, may depute, appoint officer to observe, for scrutiny of returns, statements, information submitted by any coop bank.

36 A Exemption from the Act : Sec 11, 18 & 24 will not apply to the coop banks whose license have been rejected under Sec 22 of the Act or who have been prohibited from accepting deposits. They have to pay back the deposit.

Sec 36 AD punishment for certain activities : Any person who obstructs any person entering, leaving a bank, carrying on banking business, prevent normal business shall be punishable with imprisonment and or fine.

Sec 45 Power to RBI to apply to Central Govt for suspension of banking business : RBI with a good reason to do so, may apply to Central Govt. to issue an order of moratorium in respect of a coop bank.

The coop bank will not make any payment to any depositor or discharge any liability or obligation of any creditor, except otherwise provide in the order issued by Central Govt.

45 Y, Power of Central Govt to make Rules for preservation of Records.

CG has power to make Rules, in consultation with RBI specifying the period which Coop bank shall

- Preserve its books of account and other documents &
- Keep with itself different instruments paid by it

Accordingly Coop banks (Period of preservation of Records) Rules 1985, have been made effective by CG and as per this

Coop banks shall preserve, their books, accounts and other documents like registers of cheque book, liability, remittances received or dispatched, vault, TT transfer in good order for a period of 5 yrs.

Records of loan, deposit, stock, investments, safe custody, cash, transfers, paid cheques, pay-in-slips, vouchers etc, to be retained for 8 years.

RBI has powers to advise any Coop bank to maintain any record for longer periods also.

45 Z Return of paid instruments to customers.

With a request made by the customer, the Coop bank can return the paid instrument

before the prescribed period after taking a true copy of the instrument giving the accuracy of the instrument.

45 - ZA and ZB - Nomination for payment of depositor's money and protection against third party

It is a facility provided to the depositor where, in case of death of the depositor the amount may be returned by the bank.

The bank is fully discharged of its liability in respect of such deposit by payment in accordance with this section.

However, if there is court order, then only the bank may stop payment to the nominee.

45 - ZC and ZD : Nomination for Articles kept in Safe Custody and protection against third party notice : Similar to the nomination of deposits, a depositor can nominate a person for receiving the articles kept in the Safe Custody and the nominee has right to receive the articles in case of death of the depositor.

The bank is not bound by any third party notice in respect of articles kept in Safe custody.

45 ZE and ZF : Nomination in respect of Safety Locker : Sole hirer can nominate only one person in form SL 1, Coop bank can give access to that person either to operate or remove the articles.

When locker is hired and operated by two or more, they can jointly nominate a person / persons in form SL 1A, to give access with surviving hirer to operate or remove the articles.

The bank is protected from any legal proceedings for any damage for allowing access as per these provisions

Sec 46 Punitive power of RBI : I. Any person knowingly giving false information / document to the RBI can be imprisoned upto 3 years

II. Any person failing to produce any book of accounts or answer / any information to the Inspecting officer under Sec 35 with a fine upto Rs.2500 for each offence and Rs.100 per day during continuance of such offence

III. Any person knowingly has allowed the bank to accept deposit when prohibited will be fined upto Rs.50,000 or twice the amount involved.

IV. Any person responsible for contravention or default in complying with any

provision, order, rule, direction or condition imposed under the Act with a fine upto 50,000 or twice the amount involved, whichever ever is more and Rs.2500 per day of continuation of contravention or default.

47 A Penalty imposition : Under this provision, the RBI can impose penalties for the default as per III and IV of 46, without recourse to any court of law.

For the purpose of adjudging penalty, RBI will serve a show-cause notice on the bank and give it reasonable opportunity of being heard. Conducting enquiry is laid down in Rule II of BR Coop Rules 1966.

Sec 49 Restriction on acceptance of deposits withdrawable by cheque : No person other than a Coop bank, RBI, SBI or any other banking institution, shall accept deposits from public,

Sec 35 A powers of RBI to give Directions : RBI can issue Directions to any coop bank in

general or any coop in specific on any aspect of banking. The direction is issued in the interest of the public / depositors,

Form I Statement of Demand and Time liabilities in India and amount maintained in India in Cash, gold and unencumbered approved securities for the month of to be submitted within 15 days from the close of the month

Form II Return showing the unsecured advances sanctioned by the bank to its Directors or their relatives, to the companies in which the Director is acting as the Director of Managing director or interested in it as on the last day of the month to be submitted within one month

These powers have been conferred to RBI to control / direct the banks to function in a proper way so that entire banking system in the country is safe, strong and self dependent

Till now we have discussed about various important provisions of BR Act 1949(AACS) like, 5, 6, 8, 9, 11, 14 A, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29, 31, 35, 45, 46 etc.

Let us look back what those provisions/sections deal with?.....

Form VI Statement showing the details of branches opened and closed during

the quarter as on the last day of the quarter to be submitted within one month

Form VIII Return showing the details of the unclaimed deposits held by the bank for more than 10 years to be submitted as on 31 December of every year within one month from the close of the year

Form IX Return showing the details of assets and liabilities of the bank as on the last Friday of month to be submitted within one month from the date of the Return
OSS returns OSC 1 to 4.

Return in Form	Periodicity	As on	Section of BR Act 1949(AACS)	About
I	Monthly	last Friday of month	{42(1) of RBI Act}	DTL, CRR & SLR
II	Monthly	- do -	20	Unsecured advances to Directors
VI	Quarterly	Last day of quarter	23	Branches opened/closed
VIII	Annual	31-Dec	26	Unclaimed deposits for more than 10 years
IX	Monthly	Last Friday of month	27	Balance sheet of the bank

ಸಹಕಾರ ನುಡಿಕಟ್ಟುಗಳು

ಸಹಕಾರ ಅಂಕುರಿಸಲು ಸ್ವಾರ್ಥ ಆಳಿಸಿ.

ಏಕತೆಯ ಹಾದಿಯೇ ಸಹಕಾರ.

ನೆಮ್ಮದಿಯ ಬದುಕಿಗೆ ಬೇಕು ಸಹಕಾರ.

ಸಂತೃಪ್ತ ಬದುಕಿಗೆ ಸಹಕಾರವೇ ನೇರ ದಾರಿ.

ಸಹಕಾರವಿದ್ದಲ್ಲಿ ಕ್ರೋಧದ ಮಾತೆಲ್ಲಿ?

ಒಮ್ಮತದ ಬದುಕು ಕಲಿಸುವ ನೀತಿಯೇ ಸಹಕಾರ.

Negotiable Instruments Act 1881

THE CHEQUE SYSTEM (The Origin)

English Goldsmiths (then Bankers) & their “NOTES” issued in lieu of deposits and transferred from person to person, by endorsement and delivery, perhaps founded the CHEQUE SYSTEM

NEGOTIABLE INSTRUMENTS

Act-1881---A Definition

The property in which is acquired by any one who takes it BONA FIDE & for value notwithstanding any defect of title in the person from whom he took it ...J. Wallace

Instrumental in settlement of a negotiation (transaction) by mere delivery/
endorsement & delivery hence the name

Endorsement means expressing in writing, an intention to transfer the title or benefits due, as a practice it is always on the back of the instrument

Instruments covered

- 1) A Promissory Note
- 2) A Bill of Exchange or
- 3) A Cheque (payable either to order or to bearer) A PROMISSORY NOTE (Sec 4)

A Promissory Note is an Instrument in writing (not a bank note/a currency note) containing an unconditional undertaking, signed by the maker, to pay a certain sum of money only, to or to the order of a certain person named (payee) there in

Reserve Bank of India on behalf of Govt. of India alone can issue Demand Promissory Notes payable to bearer (Sec.31 Of R.B.I.ACT)

A PROMISSORY NOTE (DRAFT)

• On demand I promise to pay Mr. Ramesh or order Rs.5000/- (Rupees five thousand only) with interest @ 12 % per amount for the value received.

- Place: Bangalore (Suresh)
- Date: 10th Dec.2008 Signature

A BILL OF EXCHANGE

Bill of Exchange is an instrument in writing, containing an unconditional order, signed by the maker, directing a certain person to pay a certain sum of money, to or to the order of a third person or the bearer of the instrument

Such instruments can be made payable on at sight or after a specified period

Instruments payable at sight are called as demand or sight bills while that payable after the specified period as usance bills

BILL OF EXCHANGE (DRAFT) (Time or usance bill)

Date.....

On demand, 30 days after date/sight/ pay to Mr. Ramachandra (Payee) or order a sum of Rs.5000/- (Rupees Five thousand only) for value received.

To,

Mr. Ramesh (Drawee)

24, North Avenue,

Bangalore, 566660

Sd/- Suresh

(Drawer)

Difference between pronote and bill of exchange

1	Two parties	1	Three parties
2	Unconditional promise to pay	2	Unconditional order to pay
3	Maker of a note is the dr. & he himself undertakes to pay	3	drawer of a bill is the creditor who directs the drawee (his dr.) to pay
4	Liability of maker is primary.	4	Liability of maker or drawer is secondary.
5	A pro-note cannot be made payable to the maker himself	5	Drawer and payee may be same.
6	A note requires no acceptance	6	It must be accepted by drawee

A CHEQUE (Sec 6)

A Cheque is a Bill of Exchange drawn on a specified banker and not expressed to be payable otherwise than on demand (i.e. payable at sight)

The person signing is called the maker /drawer, the Bank is the drawee and the beneficiary is called the payee (Sec..7)

A cheque is always drawn on a banker and payable at sight i.e. on demand

Pre-signed Interest and Dividend Warrants also form part of Cheques.

DRAFT COPY OF A CHEQUE

CAUVERY KALPATHARU GRAMEEN BANK (drawee) (H. O. Mysore)

Date:.....

On Demand Pay (payee) -----

or bearer-----

Rupees

Rs...../-

44, Chamraj Mohalla

Mysore City

Difference between bill of exchange and cheque

Bill of Exchange

- A bill of exchange may be drawn on any person
- A bill must be accepted by the drawee before making payment upon it
- A bill is entitled to 3 days of grace
- A bill may be payable on demand or after the expiry of a certain period
- No need to crossed
- A bill must be stamped
- A payment of a bill cannot be countermanded
- 8.A bill may be noted or protested for dishonour

Cheque

- But a cheque is always drawn on a bank
- But a cheque does not require acceptance
- A cheque is not entitled to any days of grace
- But a cheque is always payable on demand.
- A cheque may be crossed
- A cheque does not require any stamp
- Payment may be countermanded by the drawer
- Not required

THE HOLDER (Sec.-8)

The HOLDER of a Promissory Note, Bill Of Exchange or a Cheque means any person

entitled to the possession of any of the above named instruments, in his own name and to receive or to recover, the amounts due there in from makers or parties (endorsees) there to PAYMENT IN DUE COURSE (Sec.10)

It is Payment as per the tenor (i.e. what appears on the face) of the Instrument, in “Good Faith & Without Negligence”, to a person named there in or in possession there of, under circumstances which do not afford reasonable grounds to believe that the one presenting it is not legally entitled to receive the payment of the amount, mentioned there in APPARENT TENOR Means

Demand to be made by Certain or confirmed payee or an endorsee. Should bear a Date & not to be stale Verify whether it is Order/Bearer Instrument. Verify Amount in words/figure (Sec 18) Signature “SHOULD BE GENUINE.

Holder's Rights to the Instruments

- Can receive amount mentioned in the cheque
- Can file suit in his own name to recover
- Unless restricted by the existing Directions (if any) can further negotiate the instrument
- Can cross the instrument Specially/Generally
- Can endorse in full converting earlier blank endorsement or vice a versa
- Can ask for a duplicate if original is lost

Condition to be a Holder in due course

- Delivery of the Instrument to the PAYEE or an ENDORSEE, a must.
- The Holder in Due Course must be in possession of the Instrument.
- The Instrument must be complete.
- H.I.C. is Payee/Bearer if expressed BEARER
- H.I.C. is Payee or an Endorsee if it is an

ORDER Instrument

Rights of Holder In Due Course.

- Has better title, free of defects (Sec. 53)
- All previous parties liable (Sec. 36)
- Right against an Inchoate (incomplete) Instrument- made choate (Sec. 20)
- Rights if drawer is fictitious (endorsees are genuine) (Sec42)
- Right against claim of instruments being drawn for un-law full means/ un-law full

consideration (Sec. 58)

- He has the RIGHT of Estoppel i.e. stopping
- Against denying the original validity of the Negotiable Instrument (sec 120)
- Against denying payee's capacity to endorse (Sec 121)
- Against endorser/s denying the earlier signature or capacity of prior party (Sec 122)

NEGOTIABLE INSTRUMENTS CHARACTERISTICS

- Transferable by delivery/ by endorsement & delivery
- Transferee gets good title notwithstanding the defective title of the transferor if a holder in due course
- -The holder in due course can sue in his own name
- Can be transferred ad infinitum till its maturity.
- It is as good as cash
- Convenient proof of payments made.
- Getting popular, dishonour attracts penal proceedings

DUPLICATE INSTRUMENTS (Sec.45A)

Where a bill of exchange has been lost before it's expiry, the drawer is obliged to give the holder another bill of the same tenor, if required, indemnifying him against any losses incidental to it. If the drawer, refuses to give such duplicate bill, he may be compelled to do so.

MATERIAL ALTERATION

Sec. 87 "Any material alteration of a Negotiable instrument renders the same void as against anyone who is a party thereto at the time of making such alteration and does not consent thereto, unless it was made in order to carry out the common intention of the original parties. Material Alterations.

Examples:

Alteration in

The date of the cheque

Place of payment

Amount of the cheque

Names of parties

Crossing of the cheque

Status Order cheque altered to be made into a Bearer Cheque

Which are not

Filling of inchoate instruments

Changing of a payable to bearer cheque to payable to order cheque

Crossing a open cheque

Forged cheques Protection ?

“FORGERY CONFERS NO TITLE”.

A Forged Cheque is not the cheque of the customer & any debit made in the Customer's account is wrongful.

Being a debit without his authority

NO PROTECTION IS AVAILABLE to

the Banker under any circumstances. STOP PAYMENT OF CHEQUES

When?

Who can stop the payment?

Stop payment by email/telephone

Stop payment by Joint account holders, partners, directors Time limit for stop payment

ENDORSEMENTS & CROSSING

Sec. 15,16 .50 & 52 deal with types of endorsements but most common are two viz. Endorsement in Blan Endorsement in Full

CROSSING OF CHEQUES

Need for Crossing

Types of Crossing

Implications of crossing

Protection to Paying Banker (Sec 85)

Protection to Collecting Banker (Sec 131)

Endorsement

The literal meaning of the word endorsement is writing on the back of an instrument.

Under the NI Act, it means, writing of the name of the endorsee on the back of the instrument by the endorser under his signature with the object of transferring the

rights therein. If an instrument is fully covered with endorsements and no space is left, further endorsement can be made on a slip of paper (called alonge) annexed thereto

Kinds of Endorsement

1. Blank or general endorsement

Just put the signature of endorser without mention the name of endorsee

Eg: sd/-

D.Mohan

Special or full endorsement

Including the name of endorsee

Eg:

Pay to Ghosh or order

Restrictive endorsement

An endorsement, when it prohibits or restricts the further negotiation of the instrument.

Eg: pay to Ghosh only

sd/-

D.Mohan

4. Conditional or Qualifie

An endorsement is conditional or qualified if it limits or negates the liability of the endorser

Eg: pay to ghosh on Signing a receipt

Sd/-

D.mohan

Partial endorsement

When an endorser endorses only a part of the amount mentioned in the instrument. it is irregular.

TYPES OF CROSSING General & Special

I. General:

- Ordinary
- And Co
- Non Negotiable
- Account Payee

II. Special Crossings

Type 1 C. K. G. Bank

Type 2 C. K. G. Bank

State Bank of Mysore

PROTECTION TO PAYING BANKER

Afforded through Sec.85(1) of N.I. Act:

Where a cheque payable to order purports to be endorsed by or on behalf of the payee, the drawee is discharged by payment in due course

Sec.85(2)- :Where a cheque is originally expressed to be payable to bearer, drawee is discharged by paying in due course to the bearer thereof, notwithstanding any endorsement whether in full or in blank appearing thereon, and notwithstanding that any such endorsement purports to restrict or exclude further negotiation

Sec.126 Protection not available Where a cheque is crossed generally, payment made to a person other than a banker

Sec.127-Where a cheque is specially crossed, payment made to another banker

Sec.129-Where cheque is crossed to two bankers and payment is made thereon without one acting agent for the other

DUTIES OF PAYING BANKER

- In accordance with apparent tenor
- In good faith and without negligence
- To the holder
- To verify that the cheque is complete
- Cheque is not stale or post dated
- Cheque is signed by the depositor
- Endorsements are proper

RIGHTS OF PAYING BANKER

Banker can refuse payment of cheque

- If he received notice of death of depositor.
- If cheque is stopped for payment by drawer

- If there is no balance/limit in the account of the customer
- If there is legal bar for payment
- Grounds to believe that the holder is not genuine
- Cheque is materially altered
- A partly mutilated cheque (paid if confirmed by drawer)
- A cheque is stale or post dated

PROTECTION TO COLLECTING BANKER (Sec.131)

A banker who, in good faith & without Negligence, received payment for a customer of a cheque crossed generally or specially to himself shall not, in case the title to the cheque proves defective, incur any liability to the true owner of the cheque by reason only of having received such payment.

Requisites:

- In good faith and without negligence
- For a customer a/c opened after proper KYC, satisfactory operations, should be Crossed

Bouncing or Dishonour of a Negotiable Instrument

- A negotiable instrument may be dishonored by non payment or non acceptance.
- A cheque and promissory note may be dishonored by non payment and
- A bill of exchange may be dishonored either by;

1. Non acceptance or by

2. Non payment. Dishonour by Non-Payment

A promissory note, bill of exchange, or cheque is said to be dishonoured by nonpayment if the maker fails to make payment on the date of maturity.

A cheque is dishonored by non payment as soon as a banker refuses to pay. Notice of dishonor

When a negotiable instrument is dishonoured the holder must give notice of dishonour to all the prior parties

Notice by whom?

1. Notice by holder or any other a party
2. Chain method of notice of dishonour
3. Notice by principal or agent

Form of Notice

1. It may be oral or written
2. Clearly indicate the reason for dishonour
3. It must be given within in a reasonable time

Duties of Holder upon Dishonour

1. Notice of Dishonour
2. Noting and protesting
3. Suit for money (after noting and protesting)

Circumstances When a banker is bound to dishonour of a cheque

1. When the customer countermands payment
2. Garnishee order (issued by high court)
3. Death, Insolvency or insanity of the customer
4. Notice of assignment (letter to transfer)
5. Defective title of the party
6. Loss of cheque
7. Post dated or stale cheque(Validity 3 months)

DISHONOUR DUE TO INSUFFICIENT FUNDS

Sec.138: A cheque drawn on an account maintained by a drawer with a banker and the same is returned unpaid for want of sufficient funds/credit limits in the account, without prejudice to any other provisions of this Act, be punished with imprisonment for a term which may extend to one year or fine which may extend to twice the amount of the cheque or with both

Objective of Sec 138 to 142: A drawer of a cheque, who has no intention to honour his commitments, and issues a cheque, on its return unpaid and on getting a 15 days notice for payment, refuses or neglects to pay, is termed as criminal offender

Know Your Customer (KYC) and e-KYC

KYC is an acronym for “Know your Customer”, a term used for customer identification process. The objective of the KYC guidelines is to prevent banks being used, intentionally or unintentionally by criminal elements for money laundering.

The main purpose of KYC norms was to check money laundering and terrorist financing when it was introduced in late the 1990s in the United States. The US government turned very strict after 9/11 and all regulations were finalised before 2002 for KYC.

The US has made changes in its major legislations i.e. USA Patriot Act of 2001, Bank Secrecy Act etc. to make KYC norms really effective mainly for the banking sector.

Taking a leaf out of the US book, the Reserve Bank of India too directed all banks to implement KYC guidelines for all new accounts in the second half of 2002. In 2004, RBI directed that all banks ensure that they are fully compliant with the KYC provisions before December 31, 2005. It is a regulatory and legal requirement.

KYC refers to due diligence activities that financial institutions must perform to ascertain relevant information from their clients for the purpose of doing business with them. It involves making reasonable efforts to determine true identity and beneficial ownership of accounts, source of funds, the nature of customer’s business, reasonableness of operations in the account in relation to the customer’s business, etc which in turn helps the banks to manage their risks prudently.

(# due diligence: it relates to compliance and risk assessment, it means that you did your best to investigate who a person or company was, and what risks were involved in doing a transaction with this entity.)

For the purpose of KYC policy, a ‘Customer’ is defined as :

- A person or entity that maintains an account and/or has a business relationship with the bank;
- One on whose behalf the account is maintained (i.e. the beneficial owner);
- Beneficiaries of transactions conducted by professional intermediaries as permitted under the law;
- Any person or entity connected with a financial transaction which can pose significant

reputational or other risks to the bank.

Essential elements of any KYC solution:

- Customer Acceptance Policy—Must be clear, with explicit criteria. Perform due diligence with background checks to ensure that customer/entity is using their real name and not involved in terrorism or other illegal activities.
- Customer Identification Procedures—Must be clearly outlined for and performed at every stage of the banking relationship: establishing an account, carrying out a transaction, resolving doubts about the authenticity of previously obtained identification, etc.
- Monitoring of Transactions—Effective KYC procedures require continuous monitoring of your customer base and its normal behavior to reduce risk. High-risk accounts (classified based on country of origin, fund sources, etc.) or activities should undergo extra scrutiny.

Risk Management—should establish internal audit and compliance functions to ensure adherence with KYC guidelines; this includes establishing a company-wide training program regarding policies and procedures. Accounts should be subject to risk categorization, and banks may create risk profiles with accompanying procedures for each category.

KYC controls typically include below details:

- Collection and analysis of basic identity information.
- Name matching against lists of known parties (such as politically exposed person)
- Determination of the customer's risk in terms of tendency to commit money laundering or identity theft.
- Creation of an expectation of a customer's transactional behaviour.
- Monitoring of a customer's transactions against their expected behaviour and recorded profile as well as that of the customer's peers.
- KYC has two components - Identity and Address. While identity remains the same, the address may change and hence the banks are required to periodically update their records.

The detailed list of the documents that the Bank can ask for KYC is given below

Features	Documents
Accounts of Individuals	
- Legal name and any other names used	i) Passport (ii) PAN card (iii) Voter's Identity Card (iv) Driving licence (v) Aadhar Card containing Name & Address (vii) Job Card issued by NREGA duly signed by an officer of the State
-Correct permanent address	i) Telephone bill (ii) Bank account statement (iii) Passport (iv) Electricity bill (v) Driving License (vi) Aadhar Card (vii) Job Card issued by NREGA (viii) Other than OVDs (in case of Low risk customer) a. Utility bill which is not more than two months old of any service provider (electricity, telephone, postpaid mobile phone, piped gas, water bill);Property or Municipal Tax receipt; b. Bank account or Post Office savings bank account statement; c. Pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address; d. Letter of allotment of accommodation from employer issued by State or Central Government departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies. Similarly, lease and license agreements with such employers allotting official accommodation; e. Documents issued by Government departments of foreign jurisdictions and letter issued by Foreign Embassy or Mission in India.
Accounts of Companies	
Name of the company	(i) Certificate of incorporation and Memorandum & Articles of Association
- Principal place of business	(ii) Resolution of the Board of Directors to open an account and identification of those who have authority to operate the account
- Mailing address of the company	(iii) Power of Attorney granted to its managers, officers or employees to transact business on its behalf
- Telephone / Fax Number	(iv) Copy of PAN allotment letter (v) Copy of the telephone bill

Accounts of Partnership Firms	
Legal name	i) Registration certificate, if registered (ii) Partnership deed (iii) Power of Attorney granted to a partner or an employee of the firm to transact business on its behalf (iv) Any officially valid document identifying the partners & the persons holding the Power of Attorney & their addresses (v) Telephone bill in the name of firm / partners
Address	
Names of all partners and their addresses	
Telephone numbers of the firm and partners	
Accounts of Trusts & Foundations	
Names of trustees, settlers, beneficiaries and signatories	i) Certificate of registration, if registered (ii) Power of Attorney granted to transact on its behalf (iii) Any officially valid document to identify the trustees, settlers, beneficiaries and those holding Power of Attorney, founders / managers / directors and their addresses (iv) Resolution of the managing body of the foundation / association (v) Telephone bill
Names and addresses of founder, managers / directors and the beneficiaries	
Telephone / fax No.	
Accounts of Proprietorship Concerns	
Proof of the name, address and activity of the concern	* Registration certificate (in the case of a registered concern) * Certificate / license issued by the Municipal authorities under Shop & Establishment Act, * Sales and income tax returns * CST / VAT certificate * Certificate / registration document issued by Sales Tax / Service Tax / Professional Tax authorities * Registration / licensing document issued in the name of the proprietary concern by the Central Government or State Government Authority / Department. * IEC (Importer Exporter Code) issued to the proprietary concern by the office of DGFT as an identity document for opening of bank account. * Licence issued by the Registering authority like Certificate of Practice issued by Institute of Chartered Accountants of India, Institute of Cost Accountants of India, Institute of Company Secretaries of India, Indian Medical Council, Food and Drug Control Authorities, etc. Any two of the above documents would suffice. These documents should be in the name of the proprietary concern.

Few clarifications regarding the KYC and documents required:

1. A) For individuals, Bank must obtain identification data to verify the identity of the customer, his/her address/location and also his/her recent photograph. This must be done for the joint holders and mandate holders, as well.

B) For non-individuals, Bank must obtain identification data to:

1) Verify the legal status of the legal person/entity

2) Verify identity of the authorized signatories

3) Verify identity of the Beneficial owners/controllers of the account.

2. Letter issued by the UIDAI is accepted as an officially valid document for opening all types of bank accounts.

3. Bank can again ask for KYC compliance even if KYC requirements are complied with while opening the account. It is because of when the transactions in the account are observed not consistent with the profile, bank may ask for any additional details / documents as required. This is just to confirm that the account is not being used for any Money Laundering/Terrorist/Criminal activities.

4. In order to establish the present address of the customer, in addition to Passport/ Driving license / voters' Id / PAN card, the bank may ask for recent utility bills such as Telephone / Electricity bill etc.

5. A person is not having any address proof in his/her name can also open a bank account. In this case an identity document and a utility bill of a closed relative with whom the prospective customer is living along with a declaration from the relative that the said person (prospective customer) wanting to open an account is a closed relative and is staying with him/her, is acceptable. (# Close relatives, e.g. husband, wife, son, daughter and parents).

6. A customer belonging to low income group who is not able to produce documents to satisfy the bank about his identity and address, can open bank account with an introduction from another account holder who has been subjected to full KYC procedure provided that the balance in all his accounts taken together is not expected to exceed Rupees Fifty Thousand (Rs. 50,000/-) and the total credit in all the accounts taken together is not expected to exceed Rupees One Lakh (Rs. 1,00,000/-) in a year. The introducer's account

with the bank should be at least six months old and should show satisfactory transactions. Photograph of the customer who proposes to open the account and also his address needs to be certified by the introducer,

or

any other evidence as to the identity and address of the customer to the satisfaction of the bank.

If at any point of time, the balance in all his/her accounts with the bank (taken together) exceeds Rupees Fifty Thousand (Rs. 50,000/-) or total credit in the account exceeds Rupees One Lakh (Rs. 1,00,000/-) in a year, no further transactions will be permitted until the full KYC procedure is completed.

In order not to inconvenience the customer, the bank will notify the customer when the balance reaches Rupees Forty Thousand (Rs. 40,000/-) or the total credit in a year reaches

Rupees Eighty thousand (Rs. 80,000/-) that appropriate documents for conducting the KYC must be submitted otherwise operations in the account will be stopped.

7. Application of full KYC procedure is necessary before issuing Credit Cards/Debit Cards/Smart Cards and also in respect of add-on/ supplementary cards.

Where the bank is unable to apply appropriate KYC measures due to non-furnishing of information and /or non-cooperation by the customer, the bank can consider closing the account or terminating the banking/business relationship after issuing due notice to the customer explaining the reasons for taking such a decision.

KYC can be carried out at the following stages in a Bank:

1. Opening a new account(Saving, Current, FD,RD, Pension A/c etc).
2. Opening a subsequent account where documents as per current KYC standards have not been submitted while opening the initial account.
3. Opening a Locker facility where these documents are not available with the bank for all the Locker facility holders.
4. When the bank feels it necessary to obtain additional information from existing customers based on conduct of the account.
5. When there are changes to signatories, mandate holders, beneficial owners etc. KYC will also be carried out in respect of non-account holders approaching the bank for high

value one-off transactions.

6. In case of walk-in customer, where the amount of transaction is equal to or exceeds Rs.50,000/-, whether conducted as a single transaction or several transactions that appear to be connected, the customer's identity and address should be verified. However, if a bank has reason to believe that a customer is intentionally structuring a transaction into a series of transactions below the threshold of Rs.50,000/- the bank should verify the identity and address of the customer and also consider filing a suspicious transaction report.

7. With the introduction of telephone and electronic banking, customer can open an account without visiting the bank branch. In the case of non-face-to-face customers, apart from applying the usual customer identification procedures, if necessary, additional documents may be called for. In such cases, banks may also require the first payment to be effected through the customer's account with another bank which, in turn, adheres to similar KYC standards.

KYC norms applied in other Areas:-

1. Open an account or close an existing Post Office Savings Bank account.
2. Purchase of Saving Certificates from any Financial Institution.
3. For opening an account with Depository participant (Demat A/c)
4. For investing in Mutual Fund
5. For verification of multiple LPG Connections
6. Jewellery purchase above Rs. 50,000/-

e-KYC

The UIDAI recently proposes to provide an e-KYC service, through which the KYC process can be performed electronically with explicit authorization by resident. As part of the e-KYC process, the resident authorizes UIDAI (through Aadhaar authentication using either biometric/OTP) to provide their demographic data along with their photograph (digitally signed and encrypted) to service providers. Service providers can provide a paperless KYC experience by using e-KYC and avoid the cost of repeated KYC, the cost of paper handling and storage, and the risk of forged documents. The real-time e-KYC service makes it possible for service providers to provide instant service delivery to residents, which otherwise would have taken a few days for activation based on the verification of KYC

documents, digitization, etc.

Salient Features of the e-KYC service

1. Paperless: The service is fully electronic
2. Consent based: The KYC data can only be provided upon authorization by the resident through Aadhaar authentication.
3. Eliminates Document Forgery: since the e-KYC data is provided directly by UIDAI, here is no risk of forged documents.
4. Inclusive: The fully paperless, electronic, low-cost aspects of e-KYC make it more inclusive, enabling financial inclusion.
5. Secure and compliant with the IT Act: Both end-points of the data transfer are secured through the use of encryption and digital signature as per the Information Technology Act, 2000 making e-KYC document legally equivalent to paper documents.
6. Low cost: Elimination of paper verification, movement, and storage reduces the cost of KYC to a fraction of what it is today.
7. Instantaneous: The service is fully automated, and KYC data is furnished in realtime, without any manual intervention.
8. Machine Readable: Digitally signed electronic KYC data provided by UIDAI is machine readable, making it possible to directly store it as the customer record in their database.
9. Regulation friendly: The service providers can provide a portal to the Ministry/Regulator for auditing and can establish rules for secure retention of e-KYC data (eg. storage method, period of storage, and retrieval).

Links for verification of Documents:-

PAN Card:- <https://incometaxindiaefiling.gov.in/e-Filing/Services/>

KnowYourPanLink.html

1. Driving License :- <https://dlpay.dimts.in/dldetail/default.aspx>
2. Ration Card: <http://nfs.delhi.gov.in/Citizen/ViewRcDetails.aspx>
3. Voter Id :- <http://ceodelhi.gov.in/OnlineErms/ElectorSearchIdCard.aspx>

Deposit Products

Introduction :

As per the Banking Regulation Act 1949 Banking Means 'Accepting deposits for the purpose of lending or investment , deposits of money from public repayable on demand or otherwise and with drawable by cheque , draft and orders or any other acceptable mode

Types of Deposits

Demand Deposit

1. Saving Bank Accounts
2. Current Account
3. Credit Balance in OD/CC
4. Balance held in suspense accounts
5. Matured Term Deposits (or) Overdue Deposit

Term Deposit

1. Fixed Deposit (FD)
2. Reinvestment Deposit (Cash certificates)
3. Recurring Deposit (RD)
4. Daily Deposits

Nature of Deposits

Domestic deposits

NRE Deposits

Staff Deposits

Savings Bank Account

- To inculcate the habit of savings
- Opened for individuals jointly or single
- Opened for non profit organizations
- Comply KYC Norms while opening the account
- Simple Interest @ 4% on daily product basis, half yearly in Feb and August.
- Minimum balance to be maintained
- Penalty for not maintaining minimum balance
- Restriction on no. of free transactions.

- Charges for cheque return
- Nomination facility
- PAN no. /form 60/61 for cash receipt of Rs. 50000/ and above.

Who can open a SB account

- a) An individual on his/her own behalf.
- b) More than one person jointly.
- c) A guardian on behalf of a minor
- d) A minor himself/herself on completion of 10 years of age.
- e) Purdashinin Ladies
- f) An illiterate person
- g) Clubs/Associations, charitable and religious institutions, trusts, local bodies etc.

Other Facilities in SB account

1. Cheque Facility
2. Withdraw by withdrawal slips
3. ATM card facility
4. Pass book facility
5. Insurance in some banks
6. Mobile banking alerts
7. Internet banking
8. Tele banking
9. NEFT / RTGS Facility
10. ECS Facility
11. Standing instruction facility
12. Temporary overdraft facility is available as a special case
13. Third party cheques can not be credited into SB Accounts

Closure of account : Account is closed on the request of the customer Account can be closed by the bank under certain circumstances like frequent cheque returns for insufficient balance.

Current Account : Current Account is opened to meet the transactions of business and trade also can be opened in individual name for business purpose, Involves large amounts of transactions, No interest is paid. All formalities as per KYC Norms are to be complied

for opening of current account. Different documents to be obtained for different types of accounts like Proprietorship, Partnership, Company, HUF etc,. Minimum balance to be maintained, Penalty for not maintaining minimum balance, TOD Facility is available as a special case Charges for cheque book issued, folio charges, cheque return charges. Nomination facility is available only if the account is in individual capacity like proprietorship account, Current account cannot be opened for Minor

Fixed Deposit : The deposit is accepted for a fixed period in days/months /years Simple Interest is paid Interest paid Quarterly, by cash or credit to the SB / Current / OD account Monthly interest at discounted rate at customer's request The minimum period is 7 days and maximum period is 120 month In exceptional cases like court order deposit for minor, can be opened for more than 120 months. All formalities under KYC norms to be complied . In case of already SB account is there no need to obtain of all the documents again Interest earned is subject to tax TDS is deducted where ever necessary, If obtained 15G / 15H form no TDS is deducted from interest by way of tax Beyond Rs.20000 including interest not to be paid by way of cash

Not transferable to third party If not renewed on maturity date the deposit become overdue deposit- Auto renewal is also possible. Deposit will be renewed retrospectively only if the deposit is matured not more than 14 days.

In case of a deposit renewed after 14 days from the date of maturity, applicable interest rate is rate on maturity or rate on the date of renewal, whichever is less. If multiple changes are there in between, lowest rate is applicable. Reinvestment Plan Interest is paid along with the deposit amount at the time of maturity Compound interest is paid on quarterly compounded basis Interest is credited to deposit on yearly basis TDS is deducted where ever necessary, as and when the interest is credited to the deposit account. All formalities applicable for fixed deposit is applicable for this deposit also. **Recurring Deposit.** Deposit account is opened for minimum 6/12 months and maximum for 120 months. The amount is paid by way of monthly installments for the deposit period Deposit amount including interest is paid on the date of maturity. No TDS is deducted on the interest paid. Interest is compounded quarterly and is credited to the account on yearly basis on 31st March.

In case of delay in paying monthly installment penalty is charged Deposit amount can not be increased or decreased during the period of deposit- Different schemes are available for this purpose. If the final installment is delayed the maturity date will be postponed accordingly Loan can be granted against the deposit account up to 75 % of the Balance in the account

Common Features of Deposits : Introduction is required Photo, address proof, identity proof is required to open account Specimen signature card is required KYC Norms to be complied at the time of a/c opening Nomination facility is available Balance in the account can be freeze by court order / Income Tax Department order Operations are allowed jointly or individually Operation by authorized persons also Additional interest up to 1% is paid in case of time deposits for Senior Citizens except RD account Additional interest of 1% for all deposit accounts in case of staff Loans are available on deposits 75% to 95% of the deposit amount along with accumulated interest When Deposit Account is closed prematurely, Interest is paid at the rate existed at the time of opening of deposit for the period remained with the bank Proper care should be taken while issuing duplicate Deposit Certificate Daily Collection Deposit.

To encourage saving habit among the people who are not able to leave their place of work or home. Bank authorised agents will visit the place of work or home or business and collect the money at door step of the customer against acknowledgment.

Agent gives the receipt to the customer. The deposit earns the interest. Agent will credit the total collected amount to the customer account is credited in the ledger This type of deposit is suitable for road side vendors, small shops and others Loan also given to the customers against these Deposits

Common Features of Deposits (Cont..)

Minor accounts opened by guardian Blind, illiterate, pardanashin, persons also can open accounts. Instant credit facility is available for out station cheques Account Opening for Deposits Amount, Term, Rate of Interest Instructions for Interest payment cash or credit to the account / Pay order/Remittance(In the case of Fixed Deposits) Maturity Instructions, Renewal Instructions, Nomination, Mode of operation. TDS Deduction 15 G / 15 H Account Opening for Recurring Deposits, Installment Amount, Term / Period Standing instruction for installments, Nomination, Credit of Interest to Term Deposits, Interest on fixed deposit is paid either by way of cash or credit to the account or by DD. Interest is paid on Fixed deposits at the end of each calendar quarter by debiting to the interest paid account In the case of Reinvestment Deposits, interest is credited to the deposit account on 31st March every year. Bank should be careful while paying interest to avoid excess interest payment. On RD accounts Interest is credited to the deposit account yearly on 31st March every year.

FRONT OFFICE MANAGEMENT

- Shri Vijay Kumar

1. INTRODUCTORY:

One of the main functions of the Banking is accepting the deposit for the purpose of lending. In the process of business, various types of transactions are to be done for the purpose of doing banking business. All the transactions OF THE BRANCH may be grouped and presented in the following manner for better understanding:

LIABILITIES / INCOME	ASSETS / EXPENSES
Deposits from customer - Current Account - Savings Bank Deposit - Recurring Deposits - Fixed Deposits - Other deposits, if any	Cash
	Balance with other Bank
	Loans and Advances
	Demand Draft Account (DR)
Demand Draft Account (CR)	Head Office Account (DR)
Head Office Account (CR)	Sundry Assets
Sundry Liabilities	Inter Branch Adjustment
Interest Collected	Interest Paid
Commission	General Expenses

The other fixed assets of the branch may be recorded in the books of the H.O. depending upon the policy of the Bank.

PREPARATION OF VOUCHERS:

While preparing the vouchers (debit or credit), the the amount of transaction both in words and figures, the date of transaction, full narration / particulars of the relative transactions should be furnished therein. The main purpose of writing full particulars is to know the transaction in detail if record is taken out at a later date for any clarification. Half particulars vouchers may give scope for ambiguity.

All slips should be authorised by the Manager/ Officer of the Department concerned. The Clerk/Supervisor who are entering / posting / verifying such entries should ensure that the slip concerned bear the authorisation accordingly.

The vouchers (debit as well as credit) should be posted under the respective codes of the heads of the transaction

The concerned clerk should write the Transaction Sequence No. of system in the vouchers and initial the same for having posted these vouchers.

These vouchers should then be sorted out into debit and credit vouchers separately as per the guidelines of the Bank.

At the end of the day, slips are to be sorted out and it should be totalled with the total of each and every main head of the transaction like Total SB, total Current Account, Total Loans, Cash etc.,

In case of CBS environment, all the records are to be entered. At the end of the day, total of each and every head of transaction done for the day are to be generated and tallied.

All the slips sorted out are to be bundled / stitched and ensure that concern Officer / Clerks put the signature along with the total number of slips inside the bundle. The same shall be preserved and maintained. The passwords shall not be disclosed to anyone under any circumstances.

CASH MANAGEMENT

Introductory

Cash in hand is the most liquid asset of the Bank. Cash is required to meet day to day currency demands of the Banking transactions. Prompt, efficient and courteous service at the cash counter is having direct bearing on good image of the Bank. Employees who handle Cash counters should exercise utmost care to prevent occurrence of any excess or shortage in Cash so that there is no room for complaints from the customers.

Double Lock - Dual Control

The double lock / strong room shall be under the joint custody of two officials of the branch. The Branch in charge should hold the first key. An Officer / Senior Clerk should hold the second set of keys as per the extant Bank guidelines.

It is advisable to record in the prescribed book for holding the keys by the authorised persons of the branch. As and when the Manager / Officers / Clerks who are holding the keys want to go on leave or going outside for on duty work, the movement of keys

may be recorded in the register.

It should also be ensured that Double Lock keys are not handed over to any unauthorized persons to avoid perpetration of frauds.

Cash and securities should be kept in separate shelves of the almirah. Currency notes of different denominations should be stacked separately. Coins also should be kept separately denomination-wise in cloth bags of convenient sizes.

'Cash Received' Cash Paid' stamps should also be kept placed in double lock room. During office hours, the stamps will be in the custody of the concerned Cashiers. The other cash stamps, which are not in use, are always to be kept in double lock

Single Lock

Loose Notes (i.e. less than 100 numbers of each type of currency) and Coins are to be kept in single lock. This is varies depending upon the policy of the bank. The key of the single lock shall be held by the cashier handling Cash.

Opening of Cash : Daily at the commencement of business, the Bank's strong room / safe is opened by the key holders. An estimate of the day's minimum Cash requirement should be made.

Key holders should note the particulars of Cash to be taken out in Cash Register in the appropriate columns; The amount should also be written in words along with the time of taking out cash.

While handing over the cash to the Cashier by the joint custodians at the commencement of business, they should obtain Cashier's signature invariably in the Cash Register.

Soon after receipt of the cash, the cashier should ensure that the cash received is correct as per the amount mentioned in the cash register. Suitable entries are to be made in the CBS system.

Receipts : Cash should be accepted at the cash counter only. It is advisable to display a notice board at a prominent place in the branch premises with the following lines .

'PLEASE CONFINE YOUR CASH REMITTANCES ONLY TO THE CASH COUNTERS AND OBTAIN THE COUNTERFOIL DULY STAMPED AND SIGNED BY THE CASHIER AND THE SUPERVISOR'

Before accepting the cash, the Cashier should ensure that the challan / credit voucher

is properly filled up showing the denominations of currency notes and / or coins paid in. The Cashier while accepting notes from the parties / public, should ensure that the notes are genuine

Cash should be counted denomination-wise to ensure that full and correct amount of cash mentioned in the challan / credit slip is received. The Cashier should affix 'CASH RECEIVED' stamp on the challan and the counterfoil and affix his / her full signature in the challan as well as on the counterfoil.

The receipt is to be entered in the system after ensuring that physical cash as mentioned in the respective challan is received and then Transaction Id number is given to the challan / credit voucher.

The challan / credit voucher along with the counterfoil is passed on to the Supervisor. The Supervisor should verify the correctness of the amount in both the challan and counterfoil, ensure that the cashier has affixed the 'CASH RECEIVED' seal and his / her signature in full.

The supervisor should affix his / her full signature in the counterfoil and hand over the same to the tenderer.

Signing of counterfoils by our bank officials / supervisors enables the customers to have a conclusive proof of having paid in cash. Therefore it is the duty of the person receiving cash / cheques to sign the counterfoil and date stamp it before handing it over to the customer.

Payments :Whenever a cheque is tendered for cash payment before issuing token to the presenter, the Teller should ensure that the person presenting the cheque for payment has signed the cheque on the reverse for receiving the cash. Before making payment of a cheque, it is the cashier's duty to ensure that the presenter's signature has been obtained and the token is collected.

The concern Officers can authorize payment of cash cheques as per delegated powers. When the payment instrument / debit voucher is passed on to the Cashier he should ensure that it bears 'PAY' order with full signature of the passing authority (i.e the officer who has authorised the cheque for payment). The amount written in figures should be verified with that mentioned in words.

The cashier should obtain the token and verify the same with the token number

written in the cash instrument. The amount of the instrument should also be ascertained. After making the payment, the cash should enter the denomination of the currency on the reverse of the instrument.

Sorting / Packeting of Notes : Currency Notes should be properly sorted into issuable and non issuable (soiled). Sorting is a simple work and must be done at the initial stages of receipt of notes over the cash counters.

Sorting is the primary responsibility of the branch. Sorting should be full and complete at the branch level.

Branches are further cautioned by Reserve Bank of India that note/s exchanged / adjudicated with PAY / PAID stamps on the currency by the bank SHOULD NOTE BE REISSUED to public under any circumstances, even by OVERSIGHT. As per Reserve Bank of India (Note Refund) Rules, the defective notes bearing PAY / PAID stamps of any Reserve Bank of India, Issue Office or any Public Sector Bank branch tendered for exchange SHOULD BE REJECTED.

The branches can remit both the re-issuable and non- issuable (soiled) separately without mixing each other to Agency Banks / Pooling Centres / Currency Chests, as the case may be. Non exchangeable notes such as Notes with oil trace, discoloured, defaced etc., should not be mixed in cash packets.

The packet should be tied with a twine around the left hand edge vertically and thereafter shall be covered by the label.

The note packets are to be thoroughly counted and checked and the names and signatures of the persons who counted and checked them should be legibly written / affixed on the label. Cut / mutilated / imperfect notes should not be included in cash packets.

The Cashier who counts and the supervisor who checks the packet should sign on the packets, so that their signature extends partially on the sticker and partially on the label.

Closing of Cash : Cashiers should tally the cash by taking applicable reports from CBS system as per Bank guidelines.

At the end of the day's transactions, Cashier has to generate Cash Receipt Waste and Cash Payment Waste and tally the closing cash. The Cashier should take mandatory

reports as per the guidelines of the Bank.

The full particulars of cash denominations of currency notes and coins - to be put into Double Lock and also Single Lock should then be entered by the Cashier in Cash Register (NB9) and the day's cash balance is also arrived at. Cashier should affix his full signature in Cash Register certifying the correctness of the day's closing cash balance. Cashiers / supervisors should ensure that physical cash tallies with Cash Balance Reports. Next day morning it should be checked with Day Book also.

The closing cash i.e., Double Lock cash and Single Lock Box and Cash Register should then be taken to the strong room / safe, by following the same procedure / precautions, explained earlier for taking out cash at the commencement of business hours.

Preservation of 'Cash' Cheques : The cashier should ensure that all paid cheques / vouchers are available at the end of the day by arranging it serially as per the cash payment waste and give it to the supervisory / officer for verification after stitching. The stitched bundle is to be immediately kept in a Storewell cupboard having dual locking arrangements.

Clean Note Policy : Following RBI guidelines are to be strictly adhered to in the matter Branches to sort notes into issuable and non-issuable and issue only clean notes to general public Branches / Offices shall do away with stapling of fresh / re-issuable / non-issuable note packets and instead secure note packets with paper band Under no circumstances, the note packets issued to the customers / public or remitted to the Reserve Bank of India / branches of other banks are in stapled condition Branches to hold the stock and deal with the customer / general public in accepting or making payments of notes in destapled condition only Branches to forthwith stop writing of any kind on water mark window of bank notes. Branches to stop forthwith reissue of Ashoka Pillar series notes of all denominations to public. Branches to accept Re.1/- Rs.2/- and Rs.5/- denominations notes and old design Rs.500/- denomination notes from the public whether they are customers of the bank or not. Branches to strictly desist from issuing all types of Re.1/-, Rs.2/-, and Rs.500 (old design) and soiled notes of all other denominations to the public.

Duplicate Keys of the Safe : Duplicate keys of the safe / strong room (i.e., duplicate of Double Lock keys) as well as single lock should be deposited in one of our local

branches in places where the bank is having more than one branch. In places where the bank is having only one branch, the duplicate of Double Lock keys should be deposited at the local branch of Nationalised / SBI or its subsidiaries as per the guidelines of the Bank. It should be ensured that the branch / bank where the duplicate double lock keys are lodged has the weekly holiday coinciding with the weekly holiday of the key depositing branch. The duplicate keys should be securely packed in a box, stitched with cloth and sealed in the presence of both the key holders A Safe Custody Receipt should be obtained, on depositing the keys.

Management of Cash

Banks are required to keep in cash a certain percentage of its total demand and time liabilities with the Reserve Bank of India, which is a statutory requirement and is known as Cash Reserve Ratio (CRR). Violation of the norms of CRR will result in loss to the Bank by way of penalty payable for non-maintenance of CRR. As such branches should confine their cash holding inclusive of bankers balance to the standard cash limit fixed, and give utmost importance to liquidate their cash balances

Effective cash management will help the Bank in three ways : In maintaining Cash Reserve Ratio (CRR) with RBI; In making available cash surplus to the needy branches, particularly during seasonal cash demands. It minimizes the interest burden on borrowings from the money from other bankers incurring interest payments on overdrawings and Following are few tips for effective cash management.

- Available funds should be utilised very judiciously
- Immediate disposal of heavy cash / funds, if any, received during the day
- All possible steps should be taken to transfer immediately the surplus funds
- Indents for funds should be kept to the minimum
- Remittance of funds to currency chest at regular intervals

Maintenance of Bank Balances with other Banks at the barest minimum level or upto the minimum balance requirement of such banks Instant remittance facilities like RTGS etc shall be utilized for surplus or deficit in Banker's account Strict adherence to laid down systems and procedures in respect of cash maintenance of bankers account..

Credit Appraisal

- B .S. Chandrashekar

Credit Appraisal is the process by which a lender/banker appraises the technical feasibility, economic viability and bankability including creditworthiness of the prospective borrower.

It is a very important step in determining the eligibility of a loan borrower for a loan.

“A good thing, well begun, is half done”

Just like every bank charges different rates for different loans from different customers, in the same way, each bank has its own set criteria that one must satisfy to qualify as a certified borrower of money/assets from the bank.

All banks have their own rules to decide the credit worthiness of their borrowers.

Creditworthiness of a customer lies in assessing if that customer is capable of repaying the loan amount in the stipulated time, or not.

Here also, every bank has its own methodology to determine if a borrower is creditworthy or not.

It is determined in terms of the norms and standards set by the banks. Banks employ their own unique objective, subjective, financial and non-financial techniques to evaluate the creditworthiness of their customers.

What are Credit Scoring and Credit Rating?

Bankers talk about credit scoring and credit rating in the same breath. Therefore, it is important to clarify the difference between credit scoring and credit rating.

These are two entirely distinct concepts and are to be employed in distinctly different scenarios.

Credit scoring is a statistical technique that combines several pre-determined characteristics to form a single score to assess a borrower's credit worthiness.

The score allocated to any application is the sum of the appropriate weights given by the values that the included characteristics take for that application.

Thus, any two identical applications will always receive the same score.

Credit rating, on the other hand, is based more on the experience and judgment of the credit officer and uses financial indicators as key.

The objective of scoring is to replicate manual analysis and approval of loans at a lower cost, with greater speed, while the use of credit rating is reliant on manual analysis by credit officers to supplement the rating provided by the tool.

Credit scoring uses a retail lending approach to credit screening/decision making and is recommended for smaller ticket size loans, where adequate reliable financial data about the borrower is not available.

Credit Rating, on the other hand, is a more appropriate tool for larger, mid-segment or corporate loans which have relevant financial data/ business plans that provide the basis for further credit analysis and information.

SIDBI has developed software for Credit Appraisal called the Credit Appraisal and Rating Tool (CART).

With this software, loan proposals can be appraised on any electronic platform. This will also generate the rating of the proposal so as to decide on the pricing.

Some banks use automated processing for handling applications but use a judgmental method for the final credit decision. Approvals are followed by credit review functions including, credit extension, customer service, security and collections.

Criteria for Credit Appraisal:

- Incomes Of Applicants And Co-applicants,
- Age Of Applicants,
- Educational Qualifications,
- Profession,
- Experience,
- Additional Sources Of Income,
- Past Loan Record,
- Family History,
- Employer/Business,
- Security of tenure,
- Tax History,
- Assets Of Applicants And Their Financing Pattern,
- Recurring Liabilities,
- Other present and future liabilities and investments (if any).

Based on these parameters, the maximum amount of loan that the bank can sanction and the customer is eligible for is worked out. The broad tools to determine eligibility remain the same for all banks.

Technical Feasibility	What the Bank is looking for
Living Standard	Decent living standard with some tangibles like T.V. & fridge will provide assurance to bank regarding your residential status.
Locality	Presence of some undesirable elements like local goons or controversial areas adversely affects your loan appraisal process.
Telephonic Verification	At least one response is needed from person to establish the identity of the person from contact point of view.
Educational Qualification	Not an essential barrier but essential to understand the complex terms & conditions of bank loan.
Political Influence	An interesting reference point in the sense that they are one of major category of loan defaulters.
References	To establish the residential identity of person from human contact point of view & cross check of their loans.

The 3 methods used to arrive at Eligibility

- Instalment To Income Ratio (IIR)
- Fixed Obligation To Income Ratio (FOIR)
- Loan To Cost Ratio (LOCR)

Instalment To Income Ratio (IIR)

This ratio is generally expressed as a percentage. This percentage denotes the portion of the customer's monthly instalment on the home loan taken. Usually, banks use 33.33 per cent to 40 per cent ratio. This is because it has been observed that under normal circumstances, a person can pay an instalment up to 33.33 to 40 per cent of his salary towards a loan.

Example: If we consider the instalment to income ratio equal to 33.33 per cent, and assume the gross income to be Rs. 30,000 per month, then as per the ratio, the applicant is eligible for a loan with the maximum instalment of Rs. 10,000 per month or 3:1.

Fixed Obligation To Income Ratio (FOIR):

This ratio signifies the importance of the regularity in the repayment of previous loans. In this calculation, the bank considers the instalments of all other loans already

availed of by the customer and still due, including the home loan applied for.

In other words, this ratio includes all the fixed obligations that the borrower is supposed to pay regularly on a monthly basis to any bank. Statutory deductions from salary like provident fund, professional tax and deductions for investment like insurance premium, recurring deposit etc. are exempt from these fixed obligations.

Example: Assume that monthly income of an applicant is Rs 30,000 and the applicant has a car loan instalment of Rs 4,000 per month, a TV loan instalment of Rs 1,000 per month.

In addition to this his proposed housing loan instalment is Rs 10,000 per month. Numerically, the ratio is equal to Rs. 15,000 or 50 per cent (i.e. 50 per cent of the monthly income). If the bank has decided on the standard of 40 per cent of ratio as the criteria, then the maximum total instalments the person can pay, as per the standard, would be Rs 12,000 per month.

As he is already paying Rs 5,000 for the car and TV, he only has Rs 7,000 left out. Hence, the customer would be given only that loan for which the EMI would be equal to Rs 7,000, keeping in mind the repayment capacity of the applicant.

Loan To Cost Ratio (LOCR) :

This ratio is used by banks to calculate the loan amount that an applicant is eligible to pay on the basis of the total cost of the property. This ratio sets the upper limit or the maximum loan amount that a person is eligible for, irrespective of the loan eligibility under any other criteria. The maximum amount of loan the borrower is eligible to pay is pegged as equal to the cost or value of the property.

Even if the banks' calculations of eligibility, according to the above mentioned two criterions, turns out to be higher, the loan amount can't exceed the cost or value of the property. This ratio is set equal to between 70 to 90 per cent of the registered value of the property.

Hence, while deciding on the maximum amount of loan a customer can be given, the banks use these three parameters. These parameters help in computing loan eligibility, which is crucial in calculating the creditworthiness of a customer. It also acts as a guide to determine the loan amount.

Economic Viability	Generally accepted percentage
Installment To Income Ratio	<ul style="list-style-type: none"> IIR for salaried cases would be capped at 60% of Net income Pension Income cases IIR to be restricted to 40%
Fixed Obligation To Income Ratio	FIOR kept at 55%
Loan To Cost Ratio	LTC amount to 80%

Parameter	Norms	Checkpoints
Bank Statements	6 months bank statements need to be furnished	To check the average amount client is maintaining in the account is sufficient to pay the installment amount or not.
Business continuity proof	Two year IT returns made compulsory	To enquire primary source of income.
Credit interview	For the big loan amount credit interview is necessary.	To check the general attitude of customer along with efforts are put in to understand their needs better.
Profile of customer	Salaried professionals get an edge over business income people.	Secured source of income give them a edge
Security	Asset of value equal to or more than loan amount taken has to be put as pledge or collateral.	To safeguard bank interest against any future default.
Ownership title	To be on the name or blood relative of applicant.	To establish the ownership claim of the loan applicant.

However, if all the three ratios yield a different value, which is commonly the case, what do the banks do? Simple, they generally select the lowest of the three as the loan amount that the applicant is eligible to pay.

STEP I - SUBMISSION OF LOAN APPLICATION

The financial institutions require that an entrepreneur seeking financing assistance

should furnish detail information about the project in a prescribed form the borrower submits an application form that seeks comprehensive information about the project.

STEP II - INITIAL PROCESSING OF LOAN APPLICATION

When the application is received, an officer of the financial institution reviews it to ascertain whether it is complete for processing. If it is incomplete the borrower is asked to provide the required additional information. When the application is considered complete, the financial institution prepares a 'flash report' which is essentially a summarization of the loan application. On the basis of the 'Flash Report', it is decided whether the project justifies a detailed appraisal or not.

STEP III - APPRAISAL OF THE PROPOSED PROJECT

The detailed appraisal of the project covers the Marketing, Technical, Financial, Managerial, and Economic aspects. The appraisal memorandum is normally prepared within two months after site inspection. Based on that a decision is taken whether the project will be accepted or not.

STEP IV - ISSUE OF THE LETTER OF SANCTION

If the project is accepted, a financial letter of sanction is issued to the borrower. This communicates to the borrower the assistance sanctioned and the terms and conditions relating thereto.

STEP V - ACCEPTANCE OF THE TERMS & CONDITIONS BY BORROWING UNIT

On receiving the letter of sanction from the financial institution, the borrowing unit convenes its board meeting at which the terms and conditions associated with the letter of sanction are accepted and an appropriate resolution is passed to that effect. The acceptance of the terms and conditions has to be conveyed to the financial institution within stipulated period.

STEP VI - EXECUTION OF LOAN AGREEMENT

The financial institution, after receiving the letter of acceptance from the borrower, sends the draft of the agreement to the borrower to be executed by the authorized persons and properly stamped as per the Indian Stamp Act, 1899. The agreement, properly executed and stamped, along with other documents as required by the financial institution must be returned to it. Once the financial institution also signs the agreement, it becomes effective.

STEP VII - DISBURSEMENT OF LOANS

Periodically, the borrower is required to submit information on the physical progress of the projects, financial status of the project, arrangements made for financing the project, contributions made by the promoters, projected funds flow statement, compliance with various statutory requirements, and fulfilment of the pre-

disbursement conditions. Based on the information provided by the borrower, the financial institution will determine the amount of term loan to be disbursed from time to time. Before the entire term loan is disbursed, the borrower must fully comply with all the terms and conditions of the loan agreement.

STEP VIII - CREATION OF SECURITY

The term loans (both rupee and foreign currency) and the deferred payment guarantee assistance provided by the financial institutions are secured through the first mortgage, by way of deposit of title deeds, of immovable properties and hypothecation of movable properties. As the creation of mortgage, particularly in the case of land, tends to be a time consuming process, the institutions permit interim disbursements against alternate security (in the form of guarantees by the promoters). The mortgage, however, has to be created within a year from the date of the first disbursement. Otherwise, the borrower has to pay an additional charge of 1 per interest.

STEP IX – MONITORING

Monitoring of the project is done at the implementation stage as well as at the operational stage. During the implementation stage, the project is monitored through:

1. Regular reports, furnished by the promoters, which provide information about placement of orders, construction of buildings, procurement of plant, installation of plant and machinery, trial production, etc.
2. Periodic site visits
3. Discussion with promoters, bankers, suppliers, creditors, and other connected with the project
4. Progress reports submitted by the nominee directors, and
5. Audited accounts of the company.

During the operational stage, the project is monitored with the help of:

- Quarterly progress report on the project
- Site inspection
- Reports of nominee directors
- Comparison of performance with promise.

The most important aspect of monitoring, of course, is the recovery of dues represented by interest and principal repayment.

The strategic focus of the management should be upon the rate of new account growth and level of risk taken into the bank credit /loan portfolio.

The ideal would be to find the optimum balance between the approval rate and the risk level. This is a worthy but elusive goal.

Record Keeping

- B.S.Chandrasekhar

. Cash Book Introduction

The book which keeps records of all cash transactions, i.e. Cash receipts and cash payments is called a Cash Book.

It is a book of original entry or prime entry

Divided into two sides viz., Receipts Side and Payments Side.

All cash receipts recorded on the Receipts Side (also called as Debit Side)

All the cash payments recorded on the Payments Side (also called as Credit Side)

Writing Cash Book Sources

Cash Voucher is the primary source for writing the cash book

Cash Vouchers are of the following types :

Pay-in-Slip (PIS) - used for depositing money into the deposit a/cs and loan a/cs maintained with the society

Receipt Voucher (RV) - used for recording all amounts received by the society excepting the above

Cash Withdrawal Form (CWF) - used for withdrawing money from savings bank accounts with the society

Payment Voucher (PV) - used for payment to members / customers other than the withdrawal of savings deposit

Contra Voucher (CV) used for all cash deposits & withdrawals from bank a/c

Separate folio opened to record cash transactions on a particular day

The Pay-in-Slips and Receipt Vouchers recorded on the Left Hand Side or Receipts Side of the Cash Book

Cash Withdrawal Form and Payment Vouchers recorded on the Right Hand Side or Payments Side

In the Particulars Column, the details of the contra account (other than the cash account) written

Closing of Cash Book

Closed at the end of the day to arrive at the cash on hand

The following steps have to be followed :

The previous day's cash on hand to be written as the Opening Cash for that day.

It is to be written on the Receipts Side of the Cash Book.

The Total of the Receipts Side of the Cash Book (including the opening cash) has to be arrived at.

Similarly, the total of Payments Side has to be arrived at.

Closing of Cash Book .. Contd..

The difference between the Receipts Side Total and the Payments Side Total has to be arrived at and written as the "Cash on Hand" on the Receipts Side.

This should tally with the physical cash on hand at the end of the day.

This balance forms the opening cash for the next day

b. Bank Book

Purpose

To record all the transactions involving Society's

Current Account and / or

Savings Bank Account with DCCB / SCB / Other Banks

Transactions involving society's bank a/cs

Depositing of surplus cash into the bank a/c with DCCB Withdrawal of cash from the bank a/c for meeting expenditure etc. Direct deposit by Customers into the bank a/c representing repayment of loan and / or payment of interest Bank debiting the current a/c towards folio charges or bank charges Payments made to suppliers of goods by means of cheques Transfer of money from current a/c to loan a/c with DCCB representing repayment of loan or payment of interest in r/o loans availed

Writing of Bank Book

Sources for writing the Bank Book

Receipt Voucher, Payment Voucher & Contra Voucher

Separate folio to be opened for different type of account with different banks.E.g.,

Current A/c with DCCB

Current A/c with SCB

Savings Bank A/c with DCCB

Savings Bank A/c with SCB

Current Account with Other Banks

Savings Bank A/c with Other Banks

Current A/c Statement or Bank Pass Book to be compared with the Bank Book entries periodically

Relevant date of credit or debit by the bank has to be recorded in the respective column.

Bank Book balance to tally with the balance shown by the G L under the respective head of account

c. Day Book

Features : Book of original entry.Used for recording all transactions - cash, credit, transfer (adjustment) etc., took place in a day Has two sides - Receipts Side (also called as Left Hand Side) and Payment Side (also called as Right Hand Side). Contains columns for writing the particulars, folio Nos of General Ledger and Subsidiary Ledger. Contains three amount columns - Cash Column, Transfer Column and Total Column.

Sources of Writing Day Book

Cash Vouchers

Pay-in-Slip (PIS)

Receipt Voucher (RV)

Cash Withdrawal Form (CWF) and

Payment Voucher (PV)

Transfer Vouchers

Vouchers prepared to record transactions where cash is not involved

to record credit transactions, adjustment entries, rectification entries, closing entries etc.

Transfer Vouchers are of following types.

Purchases Voucher (PUV) - to book credit purchases only.

Sales Voucher (SV) - to book credit sales only.

Journal Voucher (JV) - to book transactions not involving cash. to record those transactions that cannot be passed through any other voucher type

Debit Note (DN) - used for recording purchases returns in respect of credit purchases made earlier

Credit Note (CN) - used for recording sales returns in respect of credit sales made earlier

Writing of Day Book

After a day's transactions are over all the vouchers are pooled together sorted out account head-wise recorded in the Day Book as per G L order Amount of the cash transaction written in the Cash Column and amount of credit transaction in the Transfer

Column. Individual amounts under each head entered in the respective cash and transfer columns Their total amount is extended in the Total Column of the concerned side. Thus there will be one single figure in the Total Column for various items of receipts under a particular head of account on the Receipts Side. Similarly there will be one single figure for the various items of payment under the same head on the Payments Side. This arrangement minimises the clerical work involved in posting All receipts are written on the Receipts (Credit Entries) and all payments are written on the Payments Side (Debit Entries).

Balancing of Day Book

Done on a daily basis. The amount columns of cash, transfer and total on both Receipts & Payments Sides are separately totaled. Opening Balance of Cash written on the Receipts Side and added to the total of the Receipts Side. The difference between the Receipts Side total and the Payments Side total is taken It represents the closing balance of cash It is added to the Payment Side total to arrive at the grand total. The Grand Total of both Receipts Side and Payments Side are tallied. Safe Deposit Lockers & Safe Custody of Scrips/Articles.

Safe Deposit Lockers

- Need for Lockers
- High demand in Metro / Urban centres
- Safety, Retaining valuable assets like jewellery
- Safe keeping of documents like Title Deeds, Will, Agreements, etc.
- Convenience of operation

Eligibility

- Any person competent to contract can have a locker.
- An illiterate person can have a locker account.
- Lockers can be had in joint names. Instructions for operations to be given.

Procedure

- Application
- Locker Agreement
- Operational Instructions, in case of jt. a/cs
- Instructions for recovery of Locker rent
- Nomination Registration, Cancellation, Modification
- Legal Relationship between Banker:Locker Holder - Lessor:Lessee
- Deposit ?

Allocation of Lockers / Keys

- In case lockers are not available, a (priority) list of applicants has to be maintained and lockers allotted as and when they become vacant.
- Branch Manager can have a few lockers allocated for letting out to preferred customers like Govt officials, etc.
- Master key will be with the Branch Manager/Officer in charge of Lockers.
- Locker Keys will be numbered and held in Joint custody. Locker Key Register is to be maintained.

Locker Rent

- Varies depending on size of the locker.
- Recoverable annually by debit to Locker holder's account.
- Dairise to recover the rent on the due date.

- Can have a Fixed Deposit for the required amount so that int thereon can be taken annually as rent. [S.I. to that effect to be obtained]
- If rent is not paid, 'Rent Due' sign board has to be pasted on the locker and access should be denied till rent is paid.

Access

- Locker Access Register to be maintained.
- It has printed request letters seeking access to lockers.
- Mode of operation and Signature/s of person/s operating Locker has to be verified before allowing access to locker.
- The Bank official will use the master key first and then the customer will use his key. [Without master key, locker can't be opened. Both keys are required]

Facilities in Locker Room

- There should be a separate Locker Room. Cash, Pledged gold ornaments, Security forms, etc. should not be held in that room.
- It should be dry, clean and dust free; should have proper lighting.
- There should be a small, safe and stable ladder to facilitate access to lockers located at a high level.
- A dressing mirror and some cosmetics should be placed in the room. [Why? ..]
- Locker timings can be prescribed. However, there should be provision for multiple access to the same locker on a single day.

Safety

- Bank is responsible for Safety of articles in the lockers.
- The Locker Room should be water proof and fire proof.
- General Insurance is to taken.
- Sign boards:

'Have you securely locked your locker?'

'Check the contents before you leave'

- After the Locker operations in the day, the Locker Officer has to check the locker room to find if any article is lying outside the lockers.
- What do you do if some ornament is left outside?

Procedures

- If the key is lost by the customer
- If rent is overdue for a long time
- Disposal of Locker contents of a deceased single customer:
 - a. When Nomination is available b. When there is no nomination
- If one of the Locker account holder dies?

Advantages to the Bank

- It is a Non-fund business to the Bank
- Source of Miscellaneous for fee based income
- An ancillary service to the Customer; to retain the customer and build up relationship with him.

SAFE CUSTODY [Of Scrips]

Banks keep the Fixed Deposit Receipts, NSCs, Kisan Vikas Patras, Govt Bonds (earlier Share Certificates) etc. of customers in Safe Custody.

- This is an ancillary service to the customer.
- A small annual fee is collected for this.
- For FDRs of your own bank, no fee.
- Bank is responsible for payment / collection of interest and recovery of proceeds. If the customer suffers any loss on this count, Bank should compensate him.
- Safe Custody Register has to be maintained.
- If Scrips are taken out (for collection of interest ,etc.), entry has to be made in Ex- Custody Register and followed up.

Safe Deposit Article

- Instead of just scrips, articles/documents (of customers) packed in sealed boxes are held in the custody of Banks.
- The articles are serially numbered and disposal instructions are noted on them.
- Annual Fee is collected. [Depending on size of the box]
- Now a days, Banks are not providing this service.
- Duplicate keys of a Bank Branch are held as 'Safe deposit Article' by another Branch or
 - Bank.
 - Register has to be maintained.

VAULT OPERATION Key Holders SAFE CUSTODY & SECURITY ITEMS

HANDLING CASH

- CUSTODY OF CASH JOINT
- DUAL CONTROL SYSTEM
- TAKING OUT CASH FROM SAFE
- DISTRIBUTION OF CASH TO COUNTERS
- COUNT CASH AND RECEIVE FROM THE CASH OFFICER
- CASH COUNTER
- BE ATTENTIVE.
- DON'T ALLOW ACCESS TO VISITORS/OTHER COLLEAGUES INSIDE THE CASH

CABIN /COUNTER

- DON'T MOVE FROM THE CASH COUNTER UN-NECESSARITY
- KEEP YOUR CALM. NEVER ENTER INTO AN ARGUMENT WITH THE CUSTOMER.
- LOCK THE CABIN / DRAWER AUTO LOCK; SECURE THE KEY
- NOTE THE DENOMINATIONS ON THE REVERSE OF THE VOUCHER
- ENTER THE SL.NO., TOKEN NO. A/C NO. / AMT. IN THE PAYMENT SCROLL

BEFORE MAKING PAYMENT

- ENTER THE SL.NO., BRIEF PARTICULARS / A/C NO./AMT.IN THE RECEIPT

SCROLL IMMEDIATELY AFTER RECEIPT

- KEEP NOTES DENOMINATION-WISE
- SORT THE NOTES SEPARATE SOILED/ISSUABLE NOTES
- RBI'S CLEAN NOTE POLICY
- BALANCING YOUR CASH
- TRY TO LOCATE THE MISTAKE - DON'T ADJUST THE DIFFERENCE
- HANDOVER TO THE CASH OFFICER.

- STAY TILL BRANCH CASH IS BALANCED
- LEARN THE SKILL OF IDENTIFYING FAKE NOTES.
- NEVER GIVE A SOILED /MUTILATED NOTE TO THE CUSTOMER. RECEIVE SOILED NOTES IF DELIVERED

HANDLING KEYS

DUEL CONTROL SYSTEM

PRESERVE THE KEY SAFELY. DON'T LEAVE IT ON YOUR DESK OR IN AN UNLOCKED DRAW

- HANDOVER TO THE AUTHORISED PERSON BY ENTERING IN THE KEY REGISTER
- IMPLICATION OF LOSS OF KEY
- SAFE CUSTODY OF DUPLICATE KEYS
- VERIFICATION OF DUPLICATE KEYS
- LEAVE / ABSENCE OF KEY HOLDER

SAFE CUSTODY & SECURITY ITEMS

- DIFFERENCE BETWEEN SAFE CUSTODY & SECURITY ITEMS
- MAINTENANCE OF SC / SECURITY REG/ LEDGERS
- KEEPING THE SCRIPS IN ORDER
- BALANCING OF SC/SECURITY
- EX-CUSTODY REGISTER

SECURITY FORMS

- WHAT ARE SECURITY FORMS?
- DUAL CONTROL
- DRAFTS, MAIL TRANSFERS, BANKERS' CHQS, CHEQUE BOOKS ETC
- MAINTENANCE OF REGISTERS

CREDIT MANAGEMENT

Reserve Bank of India in August 2011 set up a Committee to re-examine the existing classification and suggest revised guidelines with regard to Priority Sector lending classification and related issues (Chairman: M V Nair). The revised guidelines were issued on October 8, 2013 in supersession of previous guidelines mentioned in the Master Circular UBD BPD (PCB) MC No.7/09.09.001/ 2012-13 dated July 02, 2012.

2. Categories under priority sector

- i. Agriculture
- ii. Micro and Small Enterprises
- iii. Education Loans
- iv. Housing Loans
- v. Others

The eligible activities under the above categories are specified in paragraph 4

3. Targets /Sub-targets for Priority sector

3.1 The targets under priority sector lending would be linked to Adjusted Net Bank Credit (ANBC) (total loans and advance minus bills rediscounted with RBI and other approved Financial Institutions plus investments made after August 30, 2007 in non-SLR bonds under HTM category) or Credit Equivalent amount of Off-Balance Sheet Exposures (OBE), whichever is higher, as on March 31 of the previous year. For the purpose of calculation of credit equivalent of off-balance sheet exposures, banks may use current exposure method. Inter-bank exposures including inter-bank off-balance sheet exposures will not be taken into account for the purpose of priority sector lending targets / sub-targets.

3.2 The targets and sub-targets set under priority sector lending for UCBs are furnished below. The stipulation regarding priority sector lending is not applicable to the Salary Earners' Banks.

Total Priority Sector	40 percent of Adjusted Net Bank Credit [ANBC defined in sub paragraph (i) above] or credit equivalent amount of Off-Balance Sheet Exposure, whichever is higher.
Total agriculture	No target

Micro & Small Enterprises (MSE)	<p>i) Advances to micro and small enterprises sector will be reckoned in computing achievement under the overall priority sector target of 40 percent of ANBC or credit equivalent amount of Off -Balance Sheet Exposure, whichever is higher.</p> <p>(ii) 40 percent of total advances to micro and small enterprises sector should go to Micro (manufacturing) enterprises having investment in plant and machinery up to ` 10 lakh and micro (service) enterprises having investment in equipment up to ` 4 lakh;</p> <p>(iii) 20 percent of total advances to micro and small enterprises sector should go to Micro (manufacturing) enterprises with investment in plant and machinery above ` 10 lakh and up to ` 25 lakh, and micro (service) enterprises with investment in equipment above ` 4 lakh and up to ` 10 lakh</p>
Advances to Weaker	10 percent of ANBC or credit equivalent amount of Off -Balance Sheet Exposure, whichever is higher.

L Note:

i. Banks should not deduct / net any amount like provisions, accrued interest, etc, from

ANBC.

ii. With effect from the fortnight beginning August 24, 2013, incremental FCNR (B) deposits as also NRE deposits with reference to base date of July 26, 2013, and having maturity of three years and above, mobilized by banks, will be exempted from the maintenance of CRR / SLR. Advances granted in India against the incremental FCNR (B) / NRE deposits qualifying for exemption from CRR / SLR requirements, as detailed above, will also be excluded from Adjusted Net Bank Credit for computation of priority sector targets. iii. On a review, it has been decided that the exemption granted on incremental FCNR (B) / NRE deposits from maintenance of CRR/SLR will be withdrawn with effect from reporting fortnight beginning June 14, 2014, i.e., only the eligible amount of incremental FCNR (B) and NRE deposits of maturities of three years and above from the base date of July 26, 2013, and outstanding as on June 13, 2014, would qualify for CRR/SLR exemption till their maturities/ pre-mature withdrawals. Advances extended in India against the above mentioned incremental FCNR (B)/ NRE

deposits, qualifying for exemption from CRR/ SLR requirements, will be eligible for exclusion from Adjusted Bank Credit, till their repayment, for computation of priority sector lending targets.

4. Description of the Categories under priority sector

4.1. Agriculture

4.1.1. Direct Agriculture

4.1.1.1 Loans to individual farmers [including Self Help Groups (SHGs) or Joint Liability Groups (JLGs), i.e. groups of individual farmers, provided banks maintain disaggregated data on such loans] engaged in Agriculture and Allied Activities, viz., dairy, fishery, animal husbandry, poultry, bee-keeping and sericulture (up to cocoon stage).

4.1.1.2 Loans to others [such as corporates, partnership firms and institutions] for Agriculture and Allied Activities (dairy, fishery, piggy, poultry, bee-keeping, etc.) up to an aggregate limit of ` 2 crore per borrower for the following purposes:

i. Short-term loans for raising crops, i.e. for crop loans. This will include traditional/non-traditional plantations, horticulture and allied activities.

ii. Medium & long-term loans for agriculture and allied activities (e.g. purchase of agricultural implements and machinery, loans for irrigation and other developmental activities undertaken in the farm and development loans for allied activities).

iii. Loans for pre-harvest and post-harvest activities viz. spraying, weeding, harvesting, sorting, grading and transporting of their own farm produce.

iv. Loans to farmers up to Rs. 50 lakh against pledge / hypothecation of agricultural produce (including warehouse receipts) for a period not exceeding 12 months, irrespective of whether the farmers were given crop loans for raising the produce or not.

v. Loans to small and marginal farmers for purchase of land for agricultural purposes.

vi. Loans to distressed farmers indebted to non-institutional lenders, against appropriate collateral.

vii. Export credit for exporting their own farm produce. 4.1.2.

Indirect agriculture

4.1.2.1. Loans to corporates, partnership firms and institutions engaged in Agriculture and Allied Activities [dairy, fishery, animal husbandry, poultry, bee-keeping

and sericulture (up to cocoon stage)]

If the aggregate loan limit per borrower is more than ` 2 crore in respect of eligible advances under direct agriculture, the entire loan should be treated as indirect finance to agriculture

i. Short-term loans for raising crops, i.e. for crop loans. This will include traditional/non-traditional plantations, horticulture and allied activities.

ii. Medium & long-term loans for agriculture and allied activities (e.g. purchase of agricultural implements and machinery, loans for irrigation and other developmental activities undertaken in the farm, and development loans for allied activities).

iii. Loans for pre-harvest and post-harvest activities such as spraying, weeding, harvesting, grading and sorting.

iv. Loans up to Rs.50 lakh against pledge / hypothecation of agricultural produce (including warehouse receipts) for a period not exceeding 12 months, irrespective of whether the farmers were given crop loans for raising the produce or not.

v. Export credit to corporates, partnership firms and institutions for exporting their own farm produce.

vi. Loans up to Rs. 5 crore to Producer Companies set up exclusively by only small and marginal farmers under Part IXA of Companies Act, 1956 for agricultural and allied activities.

4.1.2.2. Other indirect agriculture loans

i. Loans up to Rs. 5 crore per borrower to dealers / sellers of fertilizers, pesticides, seeds, cattle feed, poultry feed, agricultural implements and other inputs.

ii. Loans for setting up of Agriclincs and Agribusiness Centres.

iii. Loans to Custom Service Units managed by individuals, institutions or organisations who maintain a fleet of tractors, bulldozers, well-boring equipment, threshers, combines, etc., and undertake farm work for farmers on contract basis.

iv. Loans for construction and running of storage facilities (warehouse, market yards, godowns and silos), including cold storage units designed to store agriculture produce/products, irrespective of their location. If the storage unit is a micro or small enterprise, such loans will be classified under loans to Micro and Small Enterprises

sector.

4.2. Micro and small enterprises

The limits for investment in plant and machinery/equipment for manufacturing / service enterprise, as notified by Ministry of Micro Small and Medium Enterprises, vide, S.O.1642(E) dated September 29, 2006 are as under:-

Manufacturing sector	
Enterprises	Investment in plant and machinery
Micro Enterprises	Does not exceed Rs.25 lakh
Service Sector	
Enterprises	Investment in equipment
Micro Enterprises	Does not exceed Rs.10 lakh

Bank loans to micro and small enterprises both manufacturing and service are eligible to be classified under priority sector as per the following:

4.2.1. Direct Finance

4.2.1.1. Manufacturing Enterprises

Loans to the Micro and Small enterprises engaged in the manufacture or production of goods to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951 and the activities notified by the Government from time to time are eligible for classification under priority sector. Loans to MSEs engaged in manufacturing or production of goods under MSMED Act 2006 are eligible for classification under priority sector as direct finance to MSEs.

4.2.1.2. Loans for food and agro processing

Loans for food and agro processing will be classified under Micro and Small Enterprises, provided the units satisfy investment criteria prescribed for Micro and Small Enterprises, as provided in MSMED Act, 2006.

4.2.1.3 Service Enterprises

Bank loans up to ` 5 crore per unit to Micro and Small Enterprises engaged in providing or rendering of services and defined in terms of investment in equipment

under MSMED Act,
2006.

4.2.1.4. Export credit to MSE units (both manufacturing and services) for exporting of goods/services produced by them.

4.2.1.5. Khadi and Village Industries Sector (KVI)

All loans sanctioned to units in the KVI sector, irrespective of their size of operations, location and amount of original investment in plant and machinery. Such loans will be eligible for classification under the sub-target of 60 percent prescribed for micro enterprises within the micro and small enterprises segment under priority sector.

4.2.2. Indirect Finance

- i. Loans to persons involved in assisting the decentralised sector in the supply of inputs to and marketing of outputs of artisans, village and cottage industries.
- ii. Loans to producers in the decentralised sector viz. artisans, village and cottage industries.

4.3. Education

Loans to individuals for educational purposes including vocational courses up to Rs. 10 lakh for studies in India and `Rs.20 lakh for studies abroad. Loans granted to institutions will not be eligible to be classified as priority sector advances.

4.4. Micro Credit

Provision of credit and other financial services and products of amounts not exceeding Rs. 50,000/- per borrower or the maximum permissible limit on unsecured advances whichever is lower.

4.5. Housing

- i. Loans up to Rs. 25 lakh irrespective of location, to individuals for purchase / construction of a dwelling unit per family, excluding loans sanctioned by banks to their own employees.
- ii. Loans given for repairs to the damaged dwelling units of families up to Rs. 2 lakh in rural and semi- urban areas and up to Rs. 5 lakh in urban and metropolitan areas.
- iii. Assistance given to any governmental agency for construction of dwelling units or for slum clearance and rehabilitation of slum dwellers subject to a ceiling of loan component of Rs. 5 lakh per dwelling unit.
- iv. Assistance given to a non-governmental agency approved by the NHB for the

purpose of refinance for construction / reconstruction of dwelling units or for slum clearance and rehabilitation of slum dwellers, subject to a ceiling of loan component of Rs.10 lakh per dwelling unit.

- v. Investments made by UCBs in bonds issued by NHB / HUDCO on or after April 1, 2007 shall not be eligible for classification under priority sector lending.

4.6. Others

4.6.1. Loans, not exceeding ` 50,000/- per borrower provided directly by banks to individuals; 4.6.2. Loans to distressed persons [other than farmers-already included under III (1.1) (vi)] not exceeding ` 50,000/- per borrower to prepay their debt to non-institutional lenders.

4.6.3. Loans to SHGs / JLGs for agricultural and allied activities would be considered as priority sector advance. Further, other loans to SHGs / JLGs up to `50,000 would be considered as Micro Credit and hence would be treated as priority sector advances.

4.6.4. Loans sanctioned to State Sponsored Organisations for Scheduled Castes / Scheduled Tribes for the specific purpose of purchase and supply of inputs to and / or the marketing of the outputs of the beneficiaries of these organisations.

5. Weaker Sections

Priority sector loans to the following borrowers will be considered under Weaker Sections category:-

- i. Small and marginal farmers;
- ii. Artisans, village and cottage industries where individual credit limits do not exceed Rs.50,000/-;
- iii. Scheduled Castes and Scheduled Tribes and women;
- iv. Education loans to persons having monthly income not exceeding Rs. 5000/-.
- v. Loans to Self Help Groups;
- vi. Loans to distressed farmers indebted to non-institutional lenders;
- vii Loans to distressed persons other than farmers not exceeding Rs. 50,000/- per borrower to prepay their debt to non-institutional lenders;
- viii. Persons from minority communities as may be notified by Government of India from time to time.

In States, where one of the minority communities notified is, in fact, in majority,

item (h) will cover only other notified minorities. These States / Union Territories are Jammu & Kashmir, Punjab, Sikkim, Mizoram, Nagaland and Lakshadweep. UCBs should initiate steps to enhance / augment flow of credit under priority sector to artisans and craftsmen as also to vegetable vendors, cart pullers, cobblers, etc. belonging to minority communities.

The minority communities notified in this regard are Sikhs, Muslims, Christians, Zoroastrians and Buddhists. Within the overall target for priority sector lending and the sub-target of 25 per cent for the weaker sections, sufficient care may be taken to ensure that the minority communities also receive an equitable portion of the credit.

6. Priority Sector-Data Reporting System (Master Circular - Priority Sector Lending

UCBs dated 01.07.2014)

i. A robust reporting system with granularity and system generation of priority sector data is of utmost importance for proper monitoring and appropriate policy making.

ii In order to ensure that due emphasis is given to lending under priority sector, it is considered desirable that the performance is reviewed periodically. For this purpose, apart from the usual reviews, which the banks are periodically undertaking, specific reviews by the Board of Directors of the respective banks may be made on half-yearly basis. Accordingly, a memorandum may be submitted to the Board of Directors at half-yearly intervals i.e. as on September 30 and March 31 of each year giving a detailed critical account of the performance of the bank during the period showing increase / decrease over the previous half- year (Statement I).

iii. Further, annual review of the performance under priority sector advances as on March 31 may also be placed before the Board (Statement II-part A) by 15th of the following financial year. A copy of the annual review (Statement II, part A to E) complete in all respect as on March 31 may be forwarded to the concerned Regional Office of the Reserve Bank with the Board's observations, indicating the steps taken / proposed to be taken for improving the bank's performance. The report should reach the Regional Office within a period of 15 days from the end of the period to which it relates.

iv. The banks should submit Statement III (part A and B) as on March 31 within 15 days thereafter showing the position of direct loan and advances to agriculture

and allied activities to the concerned Regional Office of this department under whose jurisdiction they function.

v. In order to facilitate compilation of the relative figures, banks may maintain a register to indicate all the items of priority sector advances and also another register for weaker section advances showing particulars, with separate folios to each activity so that the total of advances to priority sector and weaker sections under each activity and to each type of beneficiary may be available at any given point of time. The proforma of these registers may be on the lines of the annual return to be submitted to RBI.

687. Common guidelines for priority sector loans

Banks should comply with the following common guidelines for all categories of advances under the priority sector.

7.1. Service charges

No loan related and ad-hoc service charges/inspection charges should be levied on priority sector loans up to Rs. 25,000/-.

7.2. Receipt, Sanction/Rejection/Disbursement Register

A register/ electronic record should be maintained by the bank, wherein the date of receipt, sanction/rejection/disbursement with reasons thereof, etc., should be recorded. The register/electronic record should be made available to all inspecting agencies.

7.3. Issue of Acknowledgement of Loan Applications

Banks should provide acknowledgement for loan applications received under priority sector loans. Bank Boards should prescribe a time limit within which the bank communicates its decision in writing to the applicants.

8. Definitions

Small and Marginal Farmers: Farmers with landholding of up to 1 hectare are considered as Marginal Farmers. Farmers with a landholding of more than 1 hectare but less than 2 hectares are considered as Small Farmers. For the purpose of priority sector loans 'small and marginal farmers' include landless agricultural labourers, tenant farmers, oral lessees and share-croppers, whose share of landholding is within above limits prescribed for "Small and Marginal Farmer".

MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) DEFINITIONS :

With the enactment of Micro, Small and Medium Enterprises Development (MSMED)

Act,

2006 on June 16, 2006 and notified on October 2, 2006, the definition of Micro, Small and Medium enterprises has undergone change. With the enactment of MSMED Act 2006, Services sector has become a part of Micro, Small and Medium Enterprises. Thus for the purpose of bank credit, MSMEs would include both enterprises engaged in manufacturing or production and providing or rendering of services.

A. Direct Finance:

1. Enterprises engaged in the manufacture or production, processing or preservation of goods and whose investment in plant and machinery is the original cost excluding land building and the items specified by the Ministry of MSME vide its notification no. S.O.1722(E) dt 5.10.2006 as specified below:

2. Enterprises engaged in providing or rendering of services and whose investment in equipment (original cost) excluding land building and further, fitting and other items not directly related to the service rendered or as may be notified under the MSMED Act 2006) as specified below. These will include small road and water transport operators, small business, retail trade, professional and self employed persons and all other service enterprises).

Enterprise	Manufacturing	Services
Micro	Investment in plant and machinery	Investment in equipment does
Small	Investment in plant and machinery is more than Rs.25 lacs but does not	Investment in equipment is more than Rs.10 lacs but
Medium	Investment in plant and machinery more than Rs.5 crore but does not exceed Rs.10 crore	Investment in plant and machinery is more than Rs.2 crore but does not exceed

*Note : All advances granted to units in the Khadi and Village Industries Sector (KVI), irrespective of their size of operations, location and amount of original investment in Plant

& Machinery / equipments will be covered under the priority sector advances and will be eligible for consideration for target as advances extended to Micro Enterprises

sector.

B. Indirect Finance (Loans and advances provided to MSMEs through certain agencies involved in promotion/development of MSME Sector):

Micro & Small Enterprises sector (Industry & Service) :

i. Persons involved in assisting the decentralized sector in the supply of inputs to and marketing of outputs of artisans, village and cottage industries.

ii. Advances to co-operatives of producers in the decentralized sector viz. artisans, village and cottage industries.

Items to be included /excluded while calculating the Original Investment in Plant and Machinery for determining an Industrial Unit as MSME (HO Cir.212/2011)

Included:

Wind Mills The investment in establishing of windmill/s to generate electricity for captive consumption or partly for captive consumption and remaining power to sell to Electricity Boards/others are to be included in the investment in plant and machinery for the purpose of computation of investment limit for classification as Micro, Small and Medium Enterprises under MSMED Act, 2006.

Excluded:

1. S.O.1722 (E) - In exercise of the powers conferred by sub-section(1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) herein referred to as the said Act, the Central Government hereby specifies the following items, the cost of which shall be excluded while calculating the investment in plant and machinery in the case of the enterprises mentioned in section 7(1) of the said Act, namely:

i Equipment such as tools, jigs, dies, moulds and spare parts for maintenance and the cost of consumable stores;

ii. Installation of plant and machinery;

iii. Research and development equipment and pollution control equipment;

iv. Bank charges and service charges paid to the National Small Industries Corporation (NSIC) or the State Small Industries Corporation;

v. Procurement or installation of cables, wiring, bus bars, electrical control panels (not mounted on individual machinery), oil circuit breakers or miniature circuit breakers which are necessarily to be used for providing electrical power to the plant

and machinery or for safety measures;

vi. Gas producer plants;

vii. Transportation charges (excluding sales-tax or value added tax and excise duty) for indigenous machinery from the place of their manufacture to the site of the enterprise;

viii. Charges paid for technical know-how for erection of plant and machinery; ix. Such storage tanks which store raw materials and finished products only and are not linked with the manufacturing process; and

x. Fire fighting equipment.

2. While calculating the investment in plant and machinery referred to in (1) above, the original price thereof, irrespective of whether the plant and machinery are new or second hand, shall be taken into account provided that in the case of imported machinery, the following shall be included in calculating the value, viz;

a) Import duty (excluding miscellaneous expenses such as transportation from the port to the site of the factory, demurrage paid at the port);

b) Shipping charges;

c) Customs clearance charges; and d) Sales tax or value added tax.

Delayed Payment To Micro And Small Enterprises

The existing provisions of the Interest on Delayed Payment Act, 1998 to Small Scale and Ancillary Industrial Undertakings, have been strengthened and the Central Board of Direct Taxes (CBDT) has notified instructions in this regard under Sec 22 & 23 of MSMED Act 2006 which are as shown under:

i. The buyer to make payment on or before the date agreed on between him and the supplier in writing or, in case of no agreement before the appointed day. Such agreement in writing between seller and buyer shall not exceed more than 45 days.

ii. The buyer fails to make payment of the amount to the supplier, he shall be liable to pay compound interest with monthly rests to the supplier on the amount from the appointed day or, on the date agreed on, at three times of the Bank Rate notified by Reserve Bank.

iii. For any goods supplied or services rendered by the supplier, the buyer shall be liable to pay the interest as advised at (ii) above.

iv. In case of dispute with regard to any amount due, a reference shall be made to the

Micro and Small Enterprises Facilitation Council, constituted by the respective State Government.

SECURITIES

The securities may primarily be divided in two categories as under

Primary security.

Collateral security.

The assets created by the borrower from the credit facilities granted by the bank form the primary security for the bank advance as a matter of rule. The bank invariably obtains a charge over those assets. Similarly, other assets on which the advance is primarily based even if it is not created from the credit facilities granted by the bank will also be taken as primary security.

In some cases where primary security is not considered adequate or the charge on the security is open the bank may insist on an additional security to collaterally secure advances granted by it. Such securities are termed as collateral securities. Collateral security may either be tangible or third party guarantees may also be accepted.

BASIC CHARACTERISTICS OF SECURITIES AND CONCEPT OF MARGIN

The securities acceptable to banks either as primary or collateral must have certain, basic characteristics as under:

Ascertainment of value. A security will be considered good and will be acceptable to the bank only if its value can be ascertained with a definite degree of correctness.

Marketability. A good security must have a ready market. Raw materials, articles of necessity, other primary commodities are easily marketable and are considered good security. .

Stability in value. A good security should have a stable value over along period.

Ascertainment of title and transferability. An asset can be accepted as security by the bank only when the title over that asset can be ascertained. Furthermore, the title should be easily transferable

Durability. The security accepted by the Bank must be durable.

The fixation of margin may also depend on the credit worthiness of the borrower and in some cases even Reserve Bank may issue directives to the banks.

TYPES OF CHARGES

Security is obtained by the bank as an additional cover against default by the

borrower in repayment of bank's dues. Charging of security means making such security available to the bank and involves certain formalities. Charging should be legal and perfect so that it is possible to realise the security if such a need arises. The following are different modes of charging a security:

Mortgage : Section 58 (a) of Transfer of Property Act 1882 defines a mortgage as "a transfer of an interest in specific immoveable property for the purpose of securing payment of money advanced or to be advanced by way of loan, an existing or future debt or performance of an engagement which may give rise to a pecuniary liability".

Mortgagor and Mortgagee: The person who mortgages the property is called the "Mortgagor" and the person in whose favour the mortgage is created is called the "Mortgagee".

Types of Mortgage:

Section 58 of Transfer of Property Act 1882 classifies mortgages as follows:

Simple mortgage

Mortgage by conditional sale

Usufructuary mortgage

English mortgage

Equitable mortgage

Anomalous mortgage

Simple mortgage:

Simple Mortgage is a transaction where without delivering possession of mortgaged property, the mortgagor binds himself personally, to pay the mortgage money and agrees expressly or impliedly that mortgagee shall have the right to sell the property through court and adjust the proceeds as far as necessary.

Mortgage by conditional sale:

It is a transaction wherein the mortgagor ostensibly sells the mortgaged property on the condition that the sale shall become absolute on default of the payment of the mortgaged

money on a certain date or shall become void on such payment being made or that the buyer (mortgagee) shall transfer the property to the seller (mortgagor) on such payment.

Usufructuary mortgage:

Usufructuary mortgage as the name implies, is one where the creditor is placed in possession of the property to enjoy the rents and profits until his claim is satisfied. There is transfer of one of the incidents of ownership viz., the right of possession and enjoyment of the usufruct.

English mortgage:

Under the English mortgage, the mortgagor personally binds himself to repay the mortgaged money on a certain day. The property mortgaged is transferred absolutely to the mortgagee. This transfer is, however, subject to the proviso that the mortgagee will reconvey the property to the mortgagor upon payment of the mortgage money on the date fixed for repayment.

immovable property.

Mortgage is created by an act of parties

A simple mortgage always carries a personal covenant to pay

A mortgage can be enforced against transferee with or without notice

A mortgage can be redeemed

Mortgage is created necessarily for a limited period

Mortgage secures the payment of loan or a debt

Pledge : Section 172 of the Indian Contract Act defines pledge as "The bailment of goods as a security for the payment of a debt or performance of a promise" The bailor in this case is called a Pawnor and the bailee is called Pawnee There is no such transfer of interest Charge can be created by act of parties or by operation of law

Charge may or may not have a personal covenant. Charge cannot be enforced against transferee without notice In charge, the word 'redeem' does not connote a technical sense, but only the sense of merely 'paying off debt'. A charge may be created in perpetuity Charge need not necessarily secure any loan or debt.

To create a valid pledge in the eyes of Law, the three important points need to be noted : (a) Delivery of Possession : As in bailment, in pledge too delivery of possession is required. For example, in Revenue Authority vs Sundarsanam Pictures, AIR 1968, it was held NOT to be pledge because the film producer borrowed a sum of money from a financier and agreed to deliver the final prints of the film when ready. Thus, there was no delivery of the goods at the time of agreement; (b) Delivery is in return of a loan or promise to perform something. Therefore, if your friend gives you his Motor-cycle

to go to college, it is not pledge but can be called simple bailment; (c) It should be in pursuance of a contract : The delivery must be done under a contract (oral or written). However, it is not necessary that delivery and loan take place at the same time. Delivery can be made even after the loan is received.

Hypothecation: Hypothecation was not defined under Indian Law for long time and was used more on the basis of practice. However, now under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, hypothecation is defined as "a charge in or upon any movable property, existing or future, created by a borrower in favour of a secured creditor without delivery of possession of the movable property to such creditor, as a security for financial assistance, and includes floating charge and crystallization into fixed charge on movable property".

Assignment : There is another term (i.e. Assignment) which is sometimes confused with above terms. An assignment constitutes an action taken with a contract. Assignment occurs when the owner of a contract, known as the assignor, gives a contract to another party, known as the assignee. The assignee assumes all responsibilities and benefits of the contract. When it comes to loans, assignment can relate to life insurance policies and mortgage contract from one party to another. Mortgages and other contracts sometimes contain provisions limiting or stipulating conditions for assignment.

One example of assignment is 'transfer by the holder of a life insurance policy (the assignor) of the benefits or proceeds of the policy to a lender (the assignee), as a collateral for a loan'. In such case in the event of the death of the assignor, the assignee is paid first and the balance (if any) is paid to the policy's beneficiary. However, insurance policies other than life insurance, may not be used for this purpose

Lien : Creditor's conditional right of ownership (called security interest) against a debtor's asset that bars its sale or transfer without paying off the creditor. In a contractual arrangement, a lien is the right of a contracting-party to take possession of a specific asset of the other contracting party, in case the contract is not performed according to its terms.

In law, a charge or encumbrance on Assets /Property for the satisfaction of a debt or other duty. Common law developed two kinds of possessory lien: the specific (a lien on the specific property involved in a transaction) and the general (a lien for the satisfaction of a balance due, not confined to a specific property involved in a transaction).

Set-off : If a debtor is unable to meet an obligation to his or her bank, the bank can seize the customer's current deposit. A legal clause that gives a lender the authority to seize a debtor's deposits when they default on a loan. A set-off clause can also refer to a settlement of mutual debt between a creditor and a debtor through offsetting transaction claims. This allows creditors to collect a greater amount than they usually could under bankruptcy proceedings.

NON- PERFORMING ASSETS

Classification of Assets as Non-Performing

1 An asset becomes non-performing when it ceases to generate income for the bank. A

'non performing asset' (NPA) was defined as credit in respect of which interest and / or installment of principal has remained 'past due' for a specific period of time (PRESENTLY 2 QUARTERS)

An amount is considered as past due, when it remains outstanding for 30 days beyond the due date. However, with effect from March 31, 2001 the 'past due' concept has been dispensed with and the period is reckoned from the due date of payment.

With a view to moving towards international best practices and to ensure greater transparency, '90 days' overdue* norms for identification of NPAs have been made applicable from the year ended March 31, 2004. As such, with effect from March 31, 2004, a non-performing asset shall be a loan or an advance where:

i. Interest and / or installment of principal remain overdue for a period of more than

90 days in respect of a Term Loan.

ii. The account remains 'Out of order'@ for a period of more than 90 days, in respect of an Overdraft / Cash Credit (OD/CC).

iii. The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,

iv. In the case of direct agricultural advances, the overdue norm specified at para mentioned below would be applicable. In respect of other agricultural loans, identification of NPAs would be done on the same basis as non-agricultural advances.

v. Any amount to be received remains overdue for a period of more than 90 days in respect of other accounts.

* Any amount due to the bank under any credit facility, if not paid by the due date

fixed by the bank becomes overdue.

@ "An account should be treated as 'out of order' if the outstanding balance remains continuously in excess of the sanctioned limit / drawing power. In cases where the outstanding balance in the principal operating account is less than the sanctioned limit / drawing power, but there are no credits continuously for 90 days or credits are not enough to cover the interest debited during the same period, these accounts should be treated as 'out of order'".

Tier I Banks# were permitted to classify loan accounts including gold loans and small loan upto `1 lakh as NPAs based on 180 days delinquency norm instead of the extant 90 days norm. This relaxation was in force upto March 31, 2009. The relaxations were given for the explicit purpose of enabling the UCBs concerned to transit to the 90 day NPA norm in the year 2009-10 by building up adequate provisions and strengthening their appraisal, disbursement and post disbursement procedures. Accordingly, with effect from 1 April

2009, Tier I UCBs would also classify an account as NPA based on 90-day NPA norm as indicated in para 2.1.2 above

(i) Banks having deposits below ` 100 crore, operating in a single district.

ii) Banks with deposits below ` 100 crore operating in more than one district, provided the branches are in contiguous districts and deposits and advances of branches in one district separately constitute at least 95% of the total deposits and advances respectively of the bank.

iii) Banks with deposits below ` 100 crore, whose branches were originally in a single district but subsequently, became multi-district due to reorganization of the district.

The deposits and advances as referred to in the definition may be reckoned as on 31st March of the immediate preceding financial year.

All UCBs shall classify their loan accounts as NPA as per 90-day norm with effect from

1 April 2009.

Agricultural Advance : (i) With effect from September 30, 2004 the following revised norms are applicable to all direct agricultural advances:

a) A loan granted for short duration crops will be treated as NPA, if the installment of principal or interest thereon remains overdue for two crop seasons.

b) A loan granted for long duration crops will be treated as NPA, if the installment of principal or interest thereon remains overdue for one crop season.

(ii) For the purpose of these guidelines, "long duration" crops would be crops with crop season longer than one year and crops, which are not "long duration" crops would be treated as "short duration" crops.

(iii) The crop season for each crop, which means the period up to harvesting of the crops raised, would be as determined by the State Level Bankers' Committee in each state.

(iv) Depending upon the duration of crops raised by an agriculturist, the above NPA norms would also be made applicable to agricultural term loans availed of by him

(v) Banks should ensure that while granting loans and advances, realistic repayment schedules are fixed on the basis of cash flows / fluidity with the borrowers.

Identification of Assets as NPAs should be done on an ongoing basis

The system should ensure that identification of NPAs is done on an on-going basis and doubts in asset classification due to any reason are settled through specified internal channels within one month from the date on which the account would have been classified as NPA as per prescribed norms. Banks should also make provisions for NPAs as at the end of each calendar quarter i.e as at the end of March / June / September / December, so that the income and expenditure account for the respective quarters as well as the P&L account and balance sheet for the year end reflects the provision made for NPAs.

Charging of Interest at monthly rests

(i) Banks should charge interest at monthly rests in the context of adoption of 90 days norm for recognition of loan impairment w.e.f. from the year ended March 31, 2004 and consequential need for close monitoring of borrowers' accounts. However, the date of classification of an advance as NPA as stated in preceding paras, should not be changed on account of charging of interest at monthly basis.

(ii) The existing practice of charging / compounding of interest on agricultural advances would be linked to crop seasons and the instructions regarding charging of interest on monthly rests shall not be applicable to agricultural advances.

(iii) While compounding interest at monthly rests effective from April 1, 2003, banks should ensure that in respect of advances where administered interest rates are applicable, they should re-align the rates suitably keeping in view the minimum

lending rate charged by the bank (in view of the freedom given to them for fixing lending rates) so that they comply with the same. In all other cases also, banks should ensure that the effective rate does not go up merely on account of the switchover to the system of charging interest on monthly rests.

(iv) Banks should take into consideration due date/s fixed on the basis of fluidity with borrowers and harvesting / marketing season while charging interest and compound the same if the loan / installment becomes overdue in respect of short duration crops and allied agricultural activities.

Treatment of Accounts as NPAs

Record of Recovery

(i) The treatment of an asset as NPA should be based on the record of recovery. Banks should not treat an advance as NPA merely due to existence of some deficiencies which are of temporary in nature such as non-availability of adequate drawing power, balance outstanding exceeding the limit, non-submission of stock statements and the non-renewal of the limits on the due date, etc. Where there is a threat of loss, or the recoverability of the advances is in doubt, the asset should be treated as NPA.

(ii) A credit facility should be treated as NPA as per norms given in paragraph mentioned above. However, where the accounts of the borrowers have been regularised by repayment of overdue amounts through genuine sources (not by sanction of additional

facilities or transfer of funds between accounts), the accounts need not be treated as NPAs. In such cases, it should, however, be ensured that the accounts remain in order subsequently and a solitary credit entry made in an account on or before the balance sheet date which extinguishes the overdue amount of interest or installment of principal is not reckoned as the sole criteria for treatment of the account as a standard asset.

Treatment of NPAs - Borrower-wise and not Facility-wise

(i) In respect of a borrower having more than one facility with a bank, all the facilities granted by the bank will have to be treated as NPA and not the particular facility or part thereof which has become irregular.

(ii) However, in respect of consortium advances or financing under multiple banking arrangements, each bank may classify the borrowal accounts according to its own record of recovery and other aspects having a bearing on the recoverability of the

advances.

Agricultural Advances - Default in repayment due to Natural Calamities

(i) Where natural calamities impair the repaying capacity of agricultural borrowers, as a relief measure, banks may decide on their own to :

(a) convert the short-term production loan into a term loan or re-schedule the repayment period, and

(b) sanction fresh short-term loans

(ii) In such cases of conversion or re-schedulement, the term loan as well as fresh short-term loan may be treated as current dues and need not be classified as non-performing asset (NPA). The asset classification of these loans would, therefore, be governed by the revised terms and conditions and these would be treated as NPA under the extant norms applicable for classifying agricultural advances as NPAs.

Asset Classification

Banks should classify their assets into the following broad groups, viz. - (i) Standard Assets

(ii) Sub-standard Assets

(iii) Doubtful Assets

(iv) Loss Assets

Definitions : Standard Assets

Standard Asset is one which does not disclose any problems and which does not carry more than normal risk attached to the business. Such an asset should not be an

NPA.

Sub-standard Assets

(i) With effect from March 31, 2005 an asset would be classified as sub-standard if it remained NPA for a period less than or equal to 12 months. In such cases, the current net worth of the borrowers / guarantors or the current market value of the security charged is not enough to ensure recovery of the dues to the banks in full. In other words, such assets will have well defined credit weaknesses that jeopardise the liquidation of the debt and are characterised by the distinct possibility that the banks will sustain some loss, if deficiencies are not corrected.

(ii) An asset where the terms of the loan agreement regarding interest and principal

have been re-negotiated or rescheduled after commencement of production, should be classified as sub-standard and should remain in such category for at least 12 months of satisfactory performance under the re-negotiated or rescheduled terms. In other words, the classification of an asset should not be upgraded merely as a result of rescheduling, unless there is satisfactory compliance of this condition.

Doubtful Assets

With effect from March 31, 2005, an asset is required to be classified as doubtful, if it has remained NPA for more than 12 months. For Tier I banks, the 12-month period of classification of a substandard asset in doubtful category is effective from April 1, 2009. As in the case of sub-standard assets, rescheduling does not entitle the bank to upgrade the quality of an advance automatically. A loan classified as doubtful has all the weaknesses inherent as that classified as sub-standard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently known facts, conditions and values, highly questionable and improbable.

Loss Assets

A loss asset is one where loss has been identified by the bank or internal or external auditors or by the Co-operation Department or by the Reserve Bank of India inspection but the amount has not been written off, wholly or partly. In other words, such an asset is considered un-collectible and of such little value that its continuance as a bankable asset is not warranted although there may be some salvage or recovery value.

Income Recognition

Income Recognition - Policy

The policy of income recognition has to be objective and based on the record of recovery.

Income from non-performing assets (NPA) is not recognised on accrual basis but is booked as income only when it is actually received. Therefore, banks should not take to income account interest on non-performing assets on accrual basis.

However, interest on advances against term deposits, NSCs, IVPs, KVPs and Life policies may be taken to income account on the due date, provided adequate margin is available in the accounts.

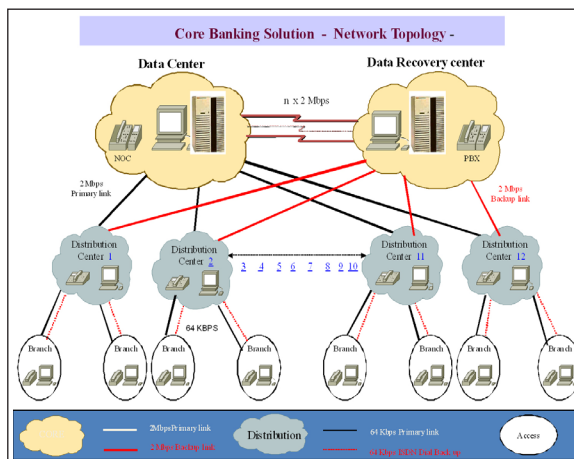
Fees and commissions earned by the banks as a result of re-negotiations or rescheduling of outstanding debts should be recognised on an accrual basis over the period of time covered by the re-negotiated or rescheduled extension of credit.

Information Technology in Banks

INFORMATION TECHNOLOGY (IT) IN BANKS - CURRENT TRENDS

Banking system in modern times has become part and parcel of life and one cannot do anything without banking. Implementation of Computer technology in the banking sector is also taking a rapid phase. Bank customers are also demanding access to sophisticated products and services. Various committees of RBI have also recommended computerisation in banks. As a result, in the beginning banks adopted a simple Advanced Ledger Posting Machine (ALPM). Then banks moved to Total Branch Automation (TBA) where in all the branches of a bank were computerised. The most important developments in today's banking sector is introduction of Core Banking Solutions (CBS) in the Bank.

CORE BANKING SOLUTION: A Concept where in data about the branch customers are collected from all the branches of the bank and are centrally placed in a Computer called server. To this server all the branch computers are connected through communication network. Through this communication network data was sent from server to branch. All the transactions of all the branches are recorded at this server. The place where this computer server of the bank is placed is called as 'Data Centre (DC)'. The DC can be within the bank HO premises or may be outside the Bank also. If DC is also connected to another similar type of setup called as Disaster Recovery Centre (DRC). In the eventuality of DC server failing, server at DRC will take charge and the banking service is continued unaffected.



Structure of CBS Network

For deployment of CBS technology in Bank, we need the following components

- Data Centre, Network & connectivity, CBS software, Hardware

ADVANTAGES OF CBS :

- Single window service
- Enhanced customer service
- Uniform approach to Systems and procedures
- More time to focus on Business
- No EOD or BOD

operations • Better layout – benefit to staff /customers • Delivery channels – leaner outfit • Faster & Accurate MIS • Improved compliance • Differential pricing – customer segmentation • Instant availability of accurate data • MIS at a central location • Effective control and monitoring • Faster introduction of new products.

Important Banking Terminologies:

1. Repo Rate

In India, it is the rate at which the Reserve bank of India lends money to commercial banks in need, with collateral. This situation usually arrives at the time of inflation. 6.5% is the current repo rate in India. Bank rate is similar to this but doesn't require collateral to provide loans. The current bank rate is 6.75%.

2. Reverse Repo Rate

In India, it is the rate at which the reserve bank of India borrows funds from commercial banks. It is usually done to control the money supply in the market. The current reverse repo rate is 3.35%.

3. Statutory Liquidity Ratio

The Banks of India have to maintain a minimum percentage of cash, gold, and other securities, before lending loans to customers. This is called the Statutory Liquidity Ratio. This exists to control credit expansion in the country. The SLR rate is 18% of NDTL.

4. Cash Reserve Ratio

In India, all the banks have to maintain a certain amount of funds with the Reserve Bank of India. This is called the Cash Reserve Ratio. It is usually increased when the RBI wants to control liquidity in the market. The current CRR rate is 4.5% NDTL.

5. Retail Banking

It is a service offered by many banks across the country. This allows every consumer to manage their accounts, enjoy access to their credits, and secure their money conveniently. This is also called consumer banking.

6. Bitcoin

It is a cryptocurrency that can be sent from one person to another without any intermediaries. It is not administered by the RBI.

7. Call Money

It is a short term loan with usually higher interest. The maturity period of this is

between 1 to 14 days. The lender can ask for the money anytime they want. If it is repaid within a day then it becomes call money. And if it is repaid after more than a day then it becomes notice money.

8. Capital Market / Money Market

The capital market deals with long term debts. It raises capital shares by dealing in shares, bonds, and other long-term investments. It is possible in primary and in secondary markets. The money market, on the other hand, deals with short term funds. The maturity period is usually less than 365 days.

9. Scheduled Bank

Reserve Bank of India Act, 1934 led to the formation of the Reserve Bank of India. This act has certain sections. The Second Schedule of the Act has banks listed in it called the Scheduled Banks. The banks not listed there are Non-Scheduled Banks.

10. Non-Performing Assets

For banks in India, it is any loan that is overdue for more than 90 – 180 days. The interest or payment is missed and the loan becomes the default. The asset kept with the bank is not producing income anymore making it a non-performing asset.

11. Money Inflation

It refers to an increase in the money supply in the market reducing the purchasing power of the consumer. In easy words, the value of money drops, and fewer goods are consumed per unit currency.

Deflation on the other hand refers to a decrease in the money supply that increases the purchasing power of the consumer.

12. Negative Interest Rate

It is a policy that allows central banks to charge interest to commercial banks for depositing money with the central bank. This, in turn, allows commercial banks to charge interest for cash deposits by customers rather than paying interest. This situation usually occurs at the time of deflation.

13. Green Banking

It is an idea to promote environmentally friendly practices to reduce carbon footprint

by banking activities. It aims to achieve banking and environmental sustainability.

14. Blockchain System

It is a system to record information in a difficult way to prevent hacking and cheating of the system. It uses a digital ledger that is distributed across a number of networks. As a result, the data is available in sections across multiple locations making it difficult to hack.

15. Balloon Mortgage

It is a type of loan that allows borrowers to make low payments in the initial period, but repayment of the balance amount in a lump sum at maturity. The last payment becomes Balloon payment because of a higher amount.

16. Skimming

It is an act to steal the customer's personal information. It is done by using a magnetic stripe of the card. This is illegal and comes under cybercrime.

17. Money Laundering

It is an illegal financial process that includes criminals concealing the origin of money. It is usually to cover up the black money generated by illegal activities.

18. Cheque

It is a paper that instructs the bank to pay a specific amount from one account to another account to whom the cheque is issued.

19. Direct Credit

It is an electronic transfer of funds from the payer's account to the payee's account. Direct Debit, on the other hand, is an instruction to your bank that allows a third party to make a transaction from your account. It is usually for paying bills.

20. Cash Credit

It is a type of loan which is short term in nature and fixed in the limit. It is usually extended by a bank to a company to meet its working capital requirements. Overdraft, on the other hand, allows extension of loans for personal use as well even with the low account balance.

21. Bill of Exchange

It is a financial instrument that instructs the person to make a payment of a specified amount to the signatory of the note. They are usually a part of international trade.

22. Marginal Standing Facility

It is a scheme by the RBI that allows commercial banks to borrow money from the central bank overnight in emergencies like dry liquidity. But the interest rate is higher than the repo rate in this situation. The current IMF rate is 6.75%.

23. Minimum Reserve System of RBI

It is a system that makes it mandatory for the central bank to keep a minimum reserve of gold and foreign exchange. The current minimum reserve amount is Rs 200 crores for the RBI.

24. Core Banking Solutions

It is a software that allows customers to access their bank accounts from any of the member branch offices.

25. Unified Payment Interface

It is a system that allows real-time payments facilitating inter-bank transactions. It is monitored by the central bank and works instantly.

26. Micro ATMs

It's a card swipe device directly connected to the main banking system. They are present at the locations where bank branches cannot reach.

27. Letter of Credit

It is a document by the bank that guarantees full payment by the buyer to the seller on time. In case the buyer fails, the bank covers the payment. It is an undertaking by the bank to the seller.

28. Bancassurance

It is an agreement between banks and insurance companies. In this, the bank offers insurance benefits to its customers.

29. Banking Ombudsman

It is a judicial authority that allows customers to file complaints if they are not happy with banking services.

30. NOSTRO Account

It is an account that the bank has of foreign currency deposits with another bank of that country. It is to initiate foreign exchange and trade transactions.

31. VOSTRO Account

It is an account that a bank holds on behalf of another bank. The funds in this account are for foreign counterparts.

32. MIBOR

The Mumbai Interbank Offered Rate is the rate at which a bank offers a short term loan to other banks. The current MIBOR rate is 7.18%.

33. CASA Account

It is a combination of current and savings accounts. It offers features of both the accounts. CASA Account has a low-interest rate on the current account and above-average return on saving return.

34. RAFA Account

It is the ratio of deposits in Recurring Deposit Account Fixed Deposit Account of a bank.

35. DEMAT Account

It is an account that allows Indian citizens to deal with stocks and debentures listed in the stock market. Like normal accounts have money deposits, Demat accounts have stock deposits.

36. Legal Tender

It is a form of money that must be accepted (by law) as a payment of any monetary debt.

37. Currency Chest

It is a depository by the central bank of India. There are 4,075 currency chests in India. All the excess money of the country is kept here under custody.

38. Insolvency

It is a situation in which the person/company is unable to pay its debts on time.

39. Bankruptcy

After a person or company becomes insolvent, they can seek relief from some or all debts. This legal process is Bankruptcy.

40. Amortization

It is the process of distributing the payments in smaller installments. And amortization of assets is allotting a price to an intangible asset.

41. Credit Crunch

It is a situation in which there is a sudden fall in the availability of loans from banks and other lenders.

42. External Commercial Borrowings

It is a transaction in which a non-resident of the country lends foreign currency loan to an Indian.

43. Small Finance Banks

It is a segment of banks to provide financial security to small businesses and industries.

44. Interest Rate Swap

It is a contract to exchange all future interest rates of a loan between two entities.

45. Public Credit Registry (PCR)

It is a public document that has financial information about all borrowers in India.

46. Off-Balance Sheet Exposure

This sheet includes all activities that do not involve lending or borrowing but generate fee income for banks.

47. Priority Sector Lending

According to this, all the banks have to offer a specified proportion to certain sectors like micro and small industries, agriculture, etc.

48. Credit Rating

It is a system to recognize an individual's ability to pay back the loan according to his

past dealings and transactions.

49. Prepaid Payment Instrument (PPI)

It is a method that allows the purchase of goods and services with the value stored in this instrument. Smart cards, mobile wallets, etc. come under this instrument only.

50. National Electronic Fund Transfer

It is a payment system that allows the transfer of funds from one bank account to another account or another branch. It involves one to one fund transfer in a specific time slot.

51. Real-Time Gross Settlement

It is a process that allows instant transfer of funds in real-time. This means that the transaction is on a gross basis.

52. Immediate Payment Services

It allows instant interbank payment through electronic fund transfer using mobiles or laptops.

53. Base Rate

It is the rate of interest on which the banks generally base their lending rates. It is seen that the loans are given at a rate higher than the base rates and the saving rate is below the base rate.

54. Bank Credit

It refers to the lending by banks to customers through various means such as loans, discounting of bills of exchange, etc.

55. Bridge Loan

It is a loan made by the bank for a very short period to make up for the temporary shortage of cash.

56. Basis Point

It is one-hundredth of 1% point which is normally used for indicating the cost of finance.

57. Collateral Security

It is the asset which a borrower is required to deposit with or pledge to a lender as a condition of obtaining a loan which can be sold off if the loan is not repaid.

58. Fiscal deficit

It is the number of funds borrowed by the government to meet the expenditures.

59. Hypothecation

It is the practice where a debtor pledges collateral to secure a debt or as a condition precedent to the debt, or a third party pledges collateral for the debtor.

60. Idle Money

It is the money that has not been invested and is therefore not earning interest or investment income of any kind.

61. Inflation

It is an increase in the quantity of money in circulation without any corresponding increase in goods, resulting in an abnormal rise in the price level.

62. Letter of Credit

A letter issued by the bank to another bank (especially one in a different country) to serve as a guarantee for payments made to a specified person under specified conditions.

63. Lien

A right to keep possession of property belonging to another person until a debt owed by that person is discharged.

64. Liquid Assets

It is an asset that can be easily converted into cash in a short duration of time.

65. Liquidity

It is the ability to convert an investment quickly into cash without any loss in its value.

66. Mortgage

It is a kind of security which one offers for taking an advance or loan from a lender.

67. Microfinance

It is a category of financial services targeting individuals and small businesses that lack access to conventional banking and related services.

68. Monetary Policy

It refers to the central bank policy concerning the money in the economy, the rate of interest, and the exchange rate.

69. Prime Lending Rate (PLR)

It is the rate of interest at which a bank gives a loan to its most reliable customer, that is, a customer with 'zero risks'.

70. Teller

It is a staff member of the bank who cashes cheques, accepts deposits, and performs various banking services for the bank's customers.

71. Virtual Banking

Internet banking is also called virtual banking as there are no bricks or boundaries involved. It is mainly operated by the internet.

72. Zero Coupon Bond

They are sold at a good discount as they have no coupon.

73. Fixed Rate

A fixed rate is when the rate of interest for a loan remains constant throughout the entire tenure.

74. Floating Rate

Opposite of fixed rate, a floating rate of interest are interest rates that change during the tenure of the loan. These interest rates change as per the changes of interest rates in the economy.

75. MICR Code

This is a nine digit code found in the bottom right hand corner of a cheque leaf. This code varies from bank to bank and is an acronym for Magnetic Ink Character Recognition.

76. No-frills Account

This is a rudimentary savings account that requires no minimum balance to enjoy benefits like net banking, online fund transfer, etc.

77. Processing Fee

In order to process a loan application of a customer, banks usually charge a fee. This fee is known as a processing fee.

78. Know Your Customer (KYC)

KYC (Know Your Customer) is a procedure that all banks undergo in order to establish the correct identity of a customer. This is to ensure that no fraudulent operations are taking place in the bank.

79. Plastic Money

This is a reference to currency used by individuals other than hard cash. Mostly it is used to refer to debit and credit cards.

80. Mobile Banking

Availing banking services with the help of a mobile phone is referred to as mobile banking.

81. Refinancing

It's the process of replacing your old debt with a new loan where the new lender pays off your existing debt. Basically, you opt for a second loan with a new lender to obtain a lower interest rate and monthly payments.

82. Credit Score

It refers to a number that determines your creditworthiness. It's a numerical number that remains roughly between 300 to 850. The credit score is calculated based on your credit history that contains a record of your existing debts, repayment history, no of opened accounts, etc. Having a high credit score is always a plus adding to the possibility of receiving credit in the form of loans, credit cards, or other financial assistance.

The payments that requires tax deduction at source:

- ❖ Salary- Section 192B
- ❖ Interest other than interest on securities- Section 194A
- ❖ Contract payments- Section 194C
- ❖ Commission/brokerage- Section 194H
- ❖ Rent- Section 194I
- ❖ Acquisition of immovable property- Section 194IA
- ❖ Professional or technical fee- Section 194J
- ❖ Cash withdrawal from banks- Section 194N

TDS on Salary- Section 192B:

- ❖ It is the duty of the employer to deduct tax at source.
- ❖ The liability to deduct tax at source when salary exceeds the basic exemption limit- Now Rs.2,50,000/- (Rs.3,00,000 under new regime).
- ❖ The taxable salary has to be calculated after giving effect to the following: Standard deduction, Professional tax, HRA, LTA, Any other exempted allowances.
- ❖ Further employer has to get declaration from the employee for the investments made that are eligible for deduction u/s 80C.
- ❖ The investments that are eligible for deduction u/s 80C are: Life Insurance Premium, PF, PPF, NSC, Tax gain FDs, Sukanya Samruddhi FDs, NPS, Tuition Fee and Housing Loan repayment.
- ❖ The maximum deduction available u/s 80C is Rs.1,50,000/-.
- ❖ In addition to this Rs.50,000/- can be claimed on account of contribution made by employee towards NPS u/s 80CCD(1B).
- ❖ Deduction on account of medical insurance premium available to the extent of Rs.25,000/- for general category and Rs.50,000/- for senior citizen.
- ❖ Housing loan interest on SOP is available to the extent of Rs.2,00,000/-.
- ❖ Medical expenses of differently abled dependents to the extent of Rs.75,000/- for disability between 40% and 80% and Rs.1,25,000/- for disability of more than 80% u/s 80DD.

Slab rate under existing tax regime:

Particulars	Tax rate(%)
Basic Exemption Limit- Rs.2,50,000/-	NIL
Rs.2,50,001/- to Rs.5,00,000/-	5
Rs.5,00,001/- to Rs.10,00,000/-	20
Above Rs.10,00,000/-	30

Slab rate under new tax regime:

Particulars	Tax rate(%)
Basic Exemption Limit- Rs.3,00,000/-	NIL
Rs.3,00,001/- to Rs.6,00,000/-	5
Rs.6,00,001/- to Rs.9,00,000/-	10
Rs.9,00,001/- to Rs.12,00,000/-	15
Rs.12,00,001/- to Rs.15,00,000/-	20
Above Rs.15,00,000/-	30

- ❖ No deduction including HRA, etc available under new tax regime.
- ❖ Employee has the option to adopt any one of the scheme which is beneficial to him/her.
- ❖ Change over is possible for every year.

TDS on interest other than interest on securities- Section 194A:

- ❖ TDS is applicable u/s.194A of Income Tax, 1961 to cooperative banks.
- ❖ TDS is applicable to all depositors including all types of Members/Customers who receives interest of more than Rs.40,000/-(Rs.50,000/- for senior citizen) in a financial year.
- ❖ TDS to be made on total interest including accrued interest.
- ❖ Aggregate interest on all deposits including RD and Pigmy held by a particular person to be considered for calculating TDS amount.
- ❖ All deposits including held at all branches to be consolidated to arrive at the total interest for calculation of TDS.
- ❖ PAN has to be obtained at the time of opening the deposit account.

- ❖ Valid PAN has to be obtained at the time of TDS and at the time of furnishing of Form 15G/ Form 15H.
- ❖ TDS at the rate 10% to be made if PAN valid PAN is available.
- ❖ TDS at the rate 20% to be made if PAN no valid PAN is available.
- ❖ PAN proof to be obtained from members/customers.
- ❖ Declaration as per section 197A in form 15G/15H can be obtained from individual and HUF only.
- ❖ Form 15G/15H to be obtained at the time of opening of each deposit account and also at the beginning of the year if the deposits are continued.
- ❖ Form 15G/15H can not be obtained if the interest payment exceeds the basic exemption limit.
- ❖ No declaration in from 15H can be obtained from firms, companies, trusts, associations etc.
- ❖ TDS exemption applicable for firms, Companies, Trusts, Associations etc., only if they submit exemption Certificate from the jurisdictional Income tax officer.
- ❖ Unique identity number (UIN) to be allotted to each person who submits 15G/15H.
- ❖ Statement of form 15G/15H to be filed with income tax department within 15 days from the end of each quarter.
- ❖ TDS is applicable for the cooperative society deposits from 01.04.2020 if interest payment exceeds Rs.40,000/- in a year.
- ❖ If deposit is opened jointly, first name is considered for deduction of TDS.
- ❖ If minor deposits accounts are opened, PAN card of guardian required.

TDS on contract payments-Section 194C:

- ❖ Contract includes the following:
 - ❖ Advertising;
 - ❖ Carriage of goods / passengers by any mode of transport except railway;
 - ❖ Broadcasting and telecasting (which also includes the production of programmes for such broadcasting or telecasting);
 - ❖ Catering;
 - ❖ Manufacturing / supplying a product based on the requirement and specification of customers by using material purchased from the customer.

When to deduct:

- ❖ If amount paid or credited exceed Rs.30,000/- in a single contract.
- ❖ Aggregate payment to single contractor exceeds Rs.1,00,000/- in a year.
- ❖ Amount paid or credited to the contractor engaged in business of hiring, plying or leasing goods carriage, where contractor owns more than 10 goods carriage.

Rate of TDS under section 194C:

Particulars	Rate(%)
Individual and HUF	1
Others	2

TDS on Commission and brokerage- Section 194H:

- ❖ Liable to deduct when the payment exceeds Rs.15,000/- PA to single person.
- ❖ Rate of TDS- 5% for valid PAN and 20% without PAN.

TDS on Rent- Section 194I:

- ❖ Liable to deduct if the aggregate rent payment exceeds Rs.2,40,000/- PA.
- ❖ Aggregate rent to be calculated based on the payment to individual owner.
- ❖ If more than one owner are there, the liability of TDS only when the aggregate rent paid to each owner exceeds Rs.2,40,000/-.
- ❖ If more than one building taken on rent from a single person and aggregate rent of all building exceeds Rs.2,40,000/- PA- TDS to made.
- ❖ Rent includes service charges.
- ❖ If rent advance is adjusted towards rent and such payment exceeds Rs.2,40,000/- in a year, then TDS to made at the time of advance payment only.

Rate of TDS under section 194I:

Particulars	Rate(%)
Rent of a Land, Building or Furniture	10
Rent of Plant, Machinery or Equipment	2

TDS on Acquisition of Immovable Property- Section 194IA:

- ❖ It is the responsibility of the buyer to deduct tax.
- ❖ When the property value exceeds Rs.50 lacs- TDS to be made.
- ❖ TDS to be made for each owner according to their ownership ratio if total value exceeds Rs.50lacs.
- ❖ Form 26QB to be generated.
- ❖ Rate of tax- 1% of the property value.

TDS on Professional or technical fee- section 194J:

- ❖ Professions notified u/s 44AA of Income Tax Act, 1961:

Rate of TDS under section 194J:

Particulars	Threshold Limit(Rs)	Rate(%)
Fee for Professional Services	30,000	10
Fee for technical services and payment to call centres	30,000	2
Remuneration or Fee to directors (other than Sec-192)	NIL	10
Royalty	30,000	10
Non-compete fee	30,000	10

- ❖ Where there is ambiguity go for higher rate of TDS

TDS on Cash withdrawal- Section 194N:

1. Why TDS on Cash Withdrawal?

ANS: To discourage cash transaction and to promote Digital Economy.

Q2. To Whom this section is applicable?

ANS: Any taxpayer including;

An Individual

A Hindu Undivided Family (HUF)

A Company

A partnership firm or an LLP

A local authority

An Association of Person (AOPs) or Body of Individuals (BOIs)

Q3. TDS shall be deducted by whom?

ANS: Person making payment as below;

Any bank (private or public sector)
A co-operative bank
A post office

Q4. Is there any Ceiling Limit for Tax Deduction?

ANS: Yes. Upto 1 Crore(3 crore for co-op societies) per bank account per annum.

Ex: If a person has 3 bank accounts in different banks, he can withdraw the amount upto Rs. 3(9) Crore [Rs. 1(3) Crore x 3 Banks] with no TDS.

Q5. At what rate TDS shall be deducted?

Rate of TDS under section 194N:

Particulars	Threshold Limit(Rs)	Rate(%)
Previous 3 years ROI filed cases	Exceeding Rs.1(3) crore	2
Previous 3 years ROI not filed cases (From 1.07.2020)	Rs.20 lacs to Rs.1(3) crore	2
Previous 3 years ROI not filed cases (From 1.07.2020)	Exceeding Rs.1(3) crore	5

TDS Compliances:

- ❖ TDS to be remitted within 7 days from the end of the month in which tax has been deducted.
- ❖ TDS returns to be filed quarterly in form 24Q and 26Q.
- ❖ TDS certificate in form 16/16A to be issued to the deductee.

Due date for quarterly returns:

I Quarter- April to June	-	31 st July
II Quarter- July to September	-	31 st October
III Quarter- October to December	-	31 st January
IV Quarter- January to March	-	31 st May

Consequences of default:

- ❖ Interest at 1% per month or part of the month for non deduction or short deduction from due date to actual date of deduction.

- ❖ Interest at 1.5% per month or part of the month for non payment of tax after deduction from the date of deduction to date of payment.
- ❖ Late fee of Rs.200/- per day for delay in filing TDS returns u/s 234E. Late fee upto the amount of TDS.
- ❖ Penalty for non filing of TDS returns or filing inaccurate information in the returns ranging from Rs.10,000/- to Rs.1,00,000/- u/s 271H.
- ❖ Prosecution with a fine or severe imprisonment of 3 months to 7 years u/s 276B.

Quoting of PAN under rule 114B:

	<i>Transactions specified in rule 114B</i>	<i>Value of Transaction</i>
1.	Opening an account [other than a time-deposit referred to at Sl. No. 12 and a Basic Savings Bank Deposit Account] with a bank/co-operative bank	All such transactions
2.	Making an application to a bank/co-operative bank/any other company or institution, for issue of a credit or debit card	All such transactions
3.	Deposit with a bank/co-operative bank	Deposits in cash exceeding Rs. 50,000 in one day
4.	Purchase of bank drafts/pay orders/banker's cheques from a bank/co-operative bank	Payment in case for an amount exceeding Rs. 50,000 during any one day
5.	A time deposit with bank/co-operative bank/post office/Nidhi/non-banking financial company	Amount exceeding Rs. 50,000 or aggregating to more than Rs. 5,00,000 during a financial year
6.	Payment for one or more pre-paid payment instruments to a bank/co-operative bank/any other company or institution	Payment in cash or by way of a bank draft/pay order/banker's cheque of an amount aggregating to more than Rs. 50,000 in a financial year

Statement on Financial Transactions (SFT) - Form-61A:

Sl. No.	Nature and value of transaction	Class of person (reporting person)
1	<p>(a) Payment made in cash for purchase of bank drafts or pay orders or banker's cheque of an amount aggregating to Rs. 10 lakh or more in a financial year.</p> <p>(b) Payments made in cash aggregating to Rs. 10 lakh or more during the financial year for purchase of pre-paid instruments issued by Reserve Bank of India.</p> <p>(c) Cash deposits or cash withdrawals (including through bearer's cheque) aggregating to Rs. 50 lakh or more in a financial year, in or from one or more current account of a person.</p>	A banking company or a co-operative bank
2	Cash deposits aggregating to Rs. 10 Lakh or more in a financial year, in one or more accounts (other than a current account and time deposit) of a person.	<p>(i) A banking company or a co-operative bank</p> <p>(ii) Post Master General</p>
3	One or more time deposits (other than a time deposit made through renewal of another time deposit) of a person aggregating to Rs. 10 lakh or more in a financial year of a person.	<p>(i) A banking company or a co-operative bank</p> <p>(ii) Post Master General</p> <p>(iii) Nidhi Company</p> <p>(iv) Non-banking financial company</p>
4	<p>Payments made by any person of an amount aggregating to—</p> <p>(i) Rs. 1 lakh or more in cash; or</p> <p>(ii) Rs. 10 lakh or more by any other mode, against bills raised in respect of one or more credit cards issued to that person, in a financial year.</p>	A banking company or a co-operative bank or any other company or institution issuing credit card.

Frauds in Technology enabled Banking

Some of the Security breaches and frauds techniques in e banking

The ATM has enhanced the convenience of customers by enabling them to access their cash wherever required from the nearest ATM. However, as the banker and the customer are not face to face, there is the risk of fraud, which may affect the customers and also the bank's reputation

Card and currency fraud may take place through both direct attacks to steal cash from the ATM and indirect attacks to steal a consumer's identity (in the form of consumer card data and PIN theft). The purpose of indirect attacks is to fraudulently use the consumer data to create counterfeit cards and obtain money from the consumer's account through fraudulent redemption.

Skimming: These days, ATM card skimming is the most common and well known attack against ATMs. Card skimmers are devices used by fraudsters to capture cardholder data from the magnetic stripe on the back of an ATM card. These sophisticated devices, which are smaller than a deck of cards and resembling a hand held credit card scanner, are often installed inside or over top of an ATM's originally installed card reader. When the consumer inserts his card into the card reader, the skimmer captures the card information before it passes into the ATM's card reader to initiate the transaction. When removed from the ATM, a skimmer allows the download of personal data belonging to everyone who used the ATM. Following are three kinds of card skimming attacks that can occur

i) External card skimming: placing a device over the card reader slot (motorized or dip) to capture consumer data from the magnetic stripe on the card during a transaction. This is the most common form of card skimming.

ii) Internal card skimming: gaining access to the top hat of the ATM to modify the card reader or replace the original card reader with an already modified one for the purpose of obtaining consumer card data during a transaction.

iii) Vestibule card skimming: in locations where the ATM is located within a vestibule, skimmers are placed on the vestibule door card access reader to capture cardholder data from the magnetic stripe where the card is read so an unwary consumer inserts their card into the vestibule instead of on the ATM.

Fraudsters usually combine skimming attack with other fraudulent devices such as covert cameras or keypad overlays that capture the consumer's PIN as it is being entered on the keypad during a transaction. Sometimes, fraudsters even install signs on ATMs instructing cardholders to —swipe here first|| before continuing with transactions. Another fraudulent method is to portray the additional card reader as a —card cleaner|| designed to extend the life and improve the performance of ATM magnetic stripes

Currency Trapping/Fishing

Currency trapping and fishing is an attempt by perpetrators to capture currency that is dispensed by the ATM during a transaction. Trapping takes place when a false dispenser front is placed over the shutter of the dispenser with adhesive or tape on the inside to trap the notes before they are dispensed. Currency Fishing takes place by using the methods which are similar to those used to fish for cards. Wires, probes and hooks that are difficult for the consumer to see are used to prevent

cash from being dispensed or deposits from being made. When the unwary consumer leaves the ATM, the perpetrator returns and uses the fishing device to retrieve the currency or deposit envelope

Logical/data Attacks

Logical attacks target an ATM's software, operating system and communications systems. Logical attacks can be some of the most damaging in terms of the quantity of consumer data compromised. The migration from proprietary operating systems to Microsoft Windows® technology has led to greater connectivity and interconnectivity of ATMs. Vast networks including ATMs, branch systems, phone systems and other infrastructure connected via the Internet are targets of logical security threats. Logical attackers include vandals who author viruses intended to exploit an ATM's operating system and hackers who install malware to violate the confidentiality, integrity or authenticity of transaction related data

Malware and Hacking

With any computer system, the purpose of installing malicious software (malware) is to violate the confidentiality, integrity and/or authenticity of data on that computer system. These are designed to collect cardholders' data and/or dispense cash,

malware and hacking can occur both locally or remotely. Local attacks operate by accessing the top hat and downloading the malware using a USB drive or attaching a USB sniffing device to intercept communication between the card reader and the ATM's computer. Remote attacks on an ATM network occur at some point in the communication with the host or at the

backend infrastructure. Typically, these sophisticated attacks are carried out by well funded criminal organizations. Malware threats are of particular concern as they are on the rise and constantly evolving in an attempt to stay ahead of security measures.

Physical Attacks

Physical attacks on an ATM include any type of assault that physically damages the components of the ATM in an attempt to obtain cash. While the entire ATM can be a target for a physical attack, specific components of the ATM are often targeted.

Security and Privacy threats in Internet Banking:

Phishing Attacks

Phishing is an attempt by fraudsters to 'fish' for banking details of customers. A phishing attempt usually is in the form of an e mail that appears to be from customer's bank. The e-mail usually encourages customer to click a link in it that takes him to a fraudulent log on page designed to capture authentication details such as password and Login ID. Email addresses can be obtained from publicly available sources or through randomly generated lists. Here is the example of phishing Attack mail

Spoofing

Website spoofing is the act of creating a website, as a hoax, with the intention of performing fraud. To make spoof sites seem legitimate, phishers use the names, logos, graphics and even code of the actual website. They can even fake the URL that appears in the address field at the top of your browser window and the Padlock icon that appears at the bottom right corner

Security and Privacy threats in Mobile Banking:

Almost similar techniques which are being used by fraudster in internet banking are being used in mobile banking for identity theft.

Cyber Security Awareness

- Vikas Souharda Co-operative Bank Ltd

1. Introduction to Cyberspace and Cybersecurity

Cyberspace is defined as the digital world where computers and networks are interconnected, facilitating the storage and sharing of information.

Cybersecurity is the practice dedicated to protecting an organization's valuable information from various online threats that exist within cyberspace. It operates on the principle of safeguarding assets, much like securing a physical vault to protect its contents.

2. Why Banks are Top Targets for Cyber Attacks

Banks represent prime targets for malicious actors due to the highly coveted assets they manage:

- Sensitive customer information
- Significant financial assets

The critical importance of cybersecurity within the banking sector cannot be overstated. A single security breach can lead to severe consequences, including substantial losses in:

- Money
- Trust
- Reputation

It is imperative for all employees to understand that you are the first line of defense. Your individual actions play a crucial role in ensuring the safety and security of both our customers and the bank itself.

3. Common Cyber Attacks

A foundational understanding of prevalent cyber threats is essential for effective prevention:

3.1. Phishing

Phishing is a deceptive scam tactic where criminals masquerade as trustworthy entities to illicitly obtain sensitive data or coerce individuals into clicking on harmful links.

Example of a Phishing Scenario:

Consider an email ostensibly sent from the IT department, urgently requesting an update to login credentials due to "unusual network activity." This email would typically include a deceptive link for account verification and password reset, often accompanied by a threat of temporary account suspension if immediate action is not taken. Such communications frequently employ urgent language and may direct replies to a suspicious email address for "assistance."

3.2. Malware: Harmful Software

Malware refers to malicious software engineered to disrupt, damage, or gain unauthorized access to computer systems. Its capabilities include:

- Data Theft: Acquiring sensitive information such as passwords, banking details, or confidential customer data.
- File Corruption: Deleting or altering important documents.
- Activity Monitoring: Recording keystrokes or surveilling screen activity.
- Ransomware: Locking files and demanding payment (ransom) for their restoration.
- Network Propagation: Spreading rapidly across networks, infecting multiple computers within an organization.

3.3. Social Engineering: Playing with Your Mind

Social engineering involves psychological manipulation, where scammers exploit human vulnerabilities by feigning helpfulness or urgency to trick individuals into divulging sensitive information. Key tactics include:

- Vishing: Deceptive phone calls where criminals pose as bank representatives or tech support personnel.
- Shoulder Surfing: Covertly observing individuals as they input passwords or PINs.

3.4. Skimming at ATMs

ATM skimming is a technologically advanced fraud where a concealed device is affixed to an ATM. This device illegally copies card information and simultaneously records the user's PIN, enabling criminals to clone the card and steal funds.

4. Your Cyber Shield: Key Practices

Adopting robust cybersecurity habits is the most effective defense strategy.

4.1. DO:

- Employ strong, unique passwords for all accounts.
- Exercise critical thinking before clicking on any links or opening attachments.
- Always lock your computer screen when leaving your workstation, even for a short period.
- Strictly maintain the privacy and confidentiality of customer data.

4.2. DON'T DO:

- Never disclose your password or One-Time Password (OTP) to anyone, under any circumstances.
- Refrain from conducting bank-related work on public Wi-Fi networks.
- Avoid leaving sensitive documents unattended or in easily viewable locations.
- Do not neglect to install crucial Software/ Antivirus updates.

5. Awareness & Prevention Resources

Several government-led initiatives and helplines are available to bolster cybersecurity awareness and facilitate incident reporting:

- Citizen Financial Cyber Frauds Reporting and Management System: An initiative by the Ministry of Home Affairs, accessible via Helpline 1930.

- DOT - Financial Fraud Risk Indicator (FRI) - NCRP - Chakshu: A system designed for reporting and monitoring financial fraud risks.
- CyberDost: An official cybersecurity awareness platform managed by the Ministry of Home Affairs, Government of India.

6. Reporting Incidents – What if Something Goes Wrong?

Knowing precisely when and how to report a potential cyber incident is paramount for minimizing damage:

6.1. REPORT IMMEDIATELY IF:

- You have inadvertently clicked a suspicious link or opened a questionable attachment.
- Your computer exhibits unusual behavior, such as sluggish performance or persistent pop-ups.
- You have received a suspicious email that appears to be a phishing attempt.
- You have accidentally disclosed your password.
- You have lost a work-issued phone or laptop.

6.2. WHAT TO DO (Immediate Steps):

- Remain calm, but act swiftly!
- Contact the bank's IT team without delay.
- Do not attempt to resolve the issue independently – allow the experts to manage it.
- Do not hesitate to report; timely reporting is crucial in preventing larger issues.

7. Casual Habits = Serious Cyber Risks!

It is vital to recognize that seemingly innocuous daily habits can pose significant cyber risks:

- Downloading movies or other content from unauthorized or illicit sources.
- Blindly accepting "Accept All" App Permissions for Apps, leading to risks from unnecessary access.
- While biometric authentication offers convenience, remember that your PIN serves as the ultimate security lock.
- Excessive oversharing of personal information on online platforms.
- Remaining continuously logged into accounts or saving all passwords directly within your browser.
- Clicking on unsolicited or suspicious pop-up advertisements and banners.

8. Cyber Security: A Mandatory Responsibility

The responsibility of safeguarding data is not merely an option—it is a fundamental duty!

Stay responsible, stay secure!

ಸಹಕಾರ ಗೀತೆ

ಸಮಾಜ ಹೈ ಆರಾಧ್ಯ ಹಮಾರಾ, ಸೇವಾ ಹೈ ಆರಾಧನಾ !
ಭಾರತ ಮಾತಾ ಕೆ ವೈಭವ ಹಿತ, ಸಹಕಾರಿತಾ ಕೀ ಸಾಧನಾ !!

ಸಹಕಾರಿತಾ ಕೀ ಸಾಧನಾ !!ಪ!!

ಸಮಾಜ ಸೆ ಹೀ ಸಂಸ್ಕೃತಿ ಕೀ ಯಹ್, ಶ್ರೇಷ್ಠ ಧರೋಹರ್ ಹಮೆ ಮಿಲೀ !
ಧನ ಸಾಮರ್ಥ್ಯ, ಜ್ಞಾನ ಕೀ ಪೂಂಜೀ, ಸಮಾಜ ಸೆ ಹೀ ಹಮೆ ಮಿಲೀ !
ಯಹ ಸಮಾಜ್ ಖುಣ್ ಪೂರ್ಣ್ ಚುಕಾನೆ, ಜೊ ಪಾಯಾ ಸೊ ಬಾಂಟಿನಾ !!

ಭಾರತ ಮಾತಾ ಕೆ ವೈಭವ ಹಿತ, ಸಹಕಾರಿತಾ ಕೀ ಸಾಧನಾ !!

ಸಹಕಾರಿತಾ ಕೀ ಸಾಧನಾ !!ಪ!!

ಸಮಾನ್ ಅವಸರ್ ಮಿಲೆ ಸಭೀ ಕೋ, ಕೊಯಿಭೀ ನ ಉಪೇಕ್ಷಿತ್ ಹೋ !

ಸಭೀ ಸ್ವಸ್ಥ ಶಿಕ್ಷಿತ್, ಸಂಸ್ಕಾರಿತ್, ಸಮರ್ಥ ಜಿರ್ ಸುರಕ್ಷಿತ್ ಹೋ !
ದಯಾ ನಹೀ, ಉಪಕಾರ ನಹೀ ಯಹ್, ಅಪನೆಪನ್ ಕಿ ಭಾವನಾ !!

ಭಾರತ ಮಾತಾ ಕೆ ವೈಭವ ಹಿತ, ಸಹಕಾರಿತಾ ಕೀ ಸಾಧನಾ !!

ಸಹಕಾರಿತಾ ಕೀ ಸಾಧನಾ !!ಪ!!

ಭಾಷಾ, ಪ್ರಾಂತ್, ಜಾತಿ ಜೊ ಭೀ ಹೋ, ಭಾರತ ಮಾ ಕೆ ಪುತ್ರ ಸಭೀ !

ಗ್ರಾಮ್, ನಗರ್, ವನವಾಸಿ ಗಿರಿಜನ್, ಅಪನೆ ತೊ ಹೈ ಬಂಧು ಸಭೀ !
ಜನತಾ ಕೆ ಸುಖ ಮೆ ಹೀ ತೊ ಹೈ, ಸಮಾಜ-ಸುಖ್ ಕೀ ಧಾರಣಾ !!

ಭಾರತ ಮಾತಾ ಕೆ ವೈಭವ ಹಿತ, ಸಹಕಾರಿತಾ ಕೀ ಸಾಧನಾ !!

ಸಹಕಾರಿತಾ ಕೀ ಸಾಧನಾ !!ಪ!!

ಶಾಂತಿ ಮಂತ್ರ

ಸರ್ವೇ ಭವಂತು ಸುಖಿನಃ ಸರ್ವೇ ಸಂತು ನಿರಾಮಯಾ !

ಸರ್ವೇ ಭದ್ರಾಣಿ ಪಶ್ಯಂತು, ಮಾ ಕಷ್ಟಿತ್ ದುಃಖಭಾಗ್ ಭವೆತು !!



ಕರ್ನಾಟಕ ರಾಜ್ಯ ಸೌಹಾರ್ದ ಸಂಯುಕ್ತ ಸಹಕಾರಿ ನಿ., ಬೆಂಗಳೂರು.

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ದೂ : 080-23378375-80, ವೆಬ್ ತಾಣ : www.Souharda.coop