

# Cooperatives on a Roll in **MAHARASHTRA**



The cooperatives were initially confined mainly to the field of agricultural credit, but today they have spread to other sectors such as food processing, marketing, housing, dairying and textiles. The Maharashtra Cooperative Summit held in Mumbai recently highlighted the conference-cum-exhibition and award and brought key decision-makers, leaders and influencers to deliver insights into the current scenario of the cooperative movement and the road ahead. The exhibition showcased innovation in the products and solutions to gain exposure.

The awards and felicitation showcased the ambitious strategies, cutting-edge technologies, innovative projects and initiatives taken by the cooperatives.

The number of cooperative societies is estimated to be about 2.30 lakh, and the total members are 509 lakh, of these, nine per cent were in agricultural credit, 10 per cent were in non-agricultural credit and 81 per cent were engaged in other activities.

Maharashtra has a 32 per cent share of cooperative banks in the country. Of the 1,618 urban cooperative banks, Maharashtra has 526, the highest for a state.

Total deposits in cooperative banks in the state is to the tune of ₹1,73,800 crore, which accounts for 68 per cent of deposits in such banks in the country.

Cooperative banks in the state have issued loans to the tune of ₹1,20,100 crore, which is 65 per cent of loans given by cooperative banks in the country. With 4,839 branches and

1,576 ATMs, cooperative banks have made their presence felt in every nook and corner of the state. In rural areas, cooperative banks are the only banks available to a large section of population.

The objectives of the summit included speakers and participants getting an insight into the broader governance, IT priorities and initiatives. This event was a suitable platform to build relationships through exclusive network settings, ask experts all the questions, and get an expert face-to-face opinion on specific issues. The business fraternity got an exposure and chance to forge and diversify partnerships with governments, businesses and other organisations, capitalise on innovation opportunities and make intelligent, informed IT investment choices.

## Inaugural Session

### The Cooperative Movement In Modern Era

Maharashtra is the pioneer state in the country to initiate cooperative movement. Envisioning the opportunities ahead, the Maharashtra Cooperative Summit 2015 aimed to explore and boost the opportunities available in the state

#### Technological prominence gaining momentum



**Shekhar Charegaonkar, Chairman  
Maharashtra State Cooperative Council**

The aspect of technology is gaining prominence in the cooperative sector as we move ahead and progress in delivery of banking services to a large set of population in Maharashtra. Although initiatives such as Core Banking Solutions have already begun in a big way among banks, for technology upgradation we need to understand the foundation of the value chain of delivery of banking services by cooperative banks and

then scope the work of technology and ways in which it can assist the banks.

The main foundation of cooperative sector is the service sector. The banks provide financial services to the public sector and thus the banks are expected to have the capacity to respond to the issues of the public at large. The cooperative banks have a strong standing on their capacity to ride through difficult times due to their strong base and connect with their customers. Unlike the large public sector and private banks that receive capital assistance in case of unwarranted situations to bail them out in difficult times. These financial assistance from the central government is not there for cooperative banks and are usually even though being much smaller than public sector banks are left to manage the crisis on their own. Thus the entire base of the cooperative bank is the society and the customers it serves. And it is this mutual trust that empowers

banks management and its employees to ride through difficult times and financial crisis. Thus when we consider technology in cooperative banks, it is like a double edged sword. The technology can do wonders for a bank if it is adopted knowing its pros and cons for the banking value chain and a vision or foresight of use of the technology impact on the banking operations. Blindly following the trend of what others are using will not give results for cooperative banks when it comes to technology. There is a need for the bank management to understand and identify the powers of your manpower or employees and that of technology to have a balanced approach. The customers should benefit at the end of the day. Also with bank information now available on many devices, one should also consider security solutions. The core values of cooperative bank is commitment, character, target oriented, and customer friendly.

#### Aggressive approach necessary

The cooperative movement in Maharashtra has been a leader in India. Nearly, five crore people are related with this sector in Maharashtra and touches the day to day lives of all in the state in some direct or indirect way. These include banking, credit societies, agricultural societies, processing units, fisheries and many more. There have been some basic issues with the cooperative from its inception. It has been a key player in inclusion of society and economy of the state, it has been important in GDP, but the question that we need to relook is whether the system is delivering at the last mile. Even if we consider just banking services of cooperative banks, it has been the urban cooperative banks that have taken most of attention, district cooperative banks in rural areas with the mandate of serving the poor villagers have somehow missed to deliver the objectives. Maharashtra has agriculture as



**Dr SK Sharma  
Principal Secretary, Cooperation,  
Government of Maharashtra**

main occupation, which is mainly a rain-fed agriculture. The risks are very high of being rain dependent and we are facing the unrest among the farmers in the last two years due to inadequate rainfall.

Today, there are 1.36 crore farmers in the state however our reach has been limited to only 50 lakh farmers. Nearly 80 lakh farmer

are out of reach of the banking system in the state. Hence, the 60 per cent of farmers are seeking credit assistance from money-lenders or informal institutions for their financial needs. There is a need for aggressive and innovative approach to get these large populations of farmers under the financial services. We have to leverage on the large scale and reach of the cooperative movement as it became widespread and deposits in these banks increased but the system and technology to manage it has not progressed much. Today we are have become static in our progress and we are not technology ready, lack systemic evaluation systems and lack responsibility base. Another major hurdle, pulling back the acceleration of performance of co-operative sector is the of lack of quality manpower. Until we invest in human resource we cannot expect this sector to deliver results as desired.



# Healthcare Delivery

## East Shows the Way

**10 December 2015,**  
**Park Plaza, Kolkata**



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### Esteemed Speakers

**Malay Kumar De**, Principal Secretary, Health & Family Welfare Department, Government of West Bengal

**Sanghamitra Ghosh**, Mission Director, National Health Mission, Department of Health & Family Welfare, Government of West Bengal

**Thumbay Moideen**, Founder President, Gulf Medical University, Ajman, UAE

**Dr Jitendar Kumar Sharma**, Director, WHO Collaborating Centre for Priority Medical Devices & Health Technology Policy, National Health Systems Resource Centre, NHM Ministry of Health & Family Welfare, GoI

**Dr B R Satpathi**, Director of Health Services & Secretary, Health and Family Welfare Department, Government of West Bengal

**Dr S Kar Purkayastha**, Medical & Joint Managing Director, Peerless Hospitex Hospital & Research Center Ltd, Kolkata

**Rupak Barua**, CEO, AMRI Hospitals, Kolkata

**Dr Srijon Mukherjee**, Director, Calcutta Institute of Maxillofacial Surgery & Chairman Indian Board of Oral and Maxillofacial Surgery

**Dr N C Borah**, CMD, GNRC Hospital, Assam

**Dr Chandrakant Lahariya**, National Professional Officer-Universal Health Coverage, World Health Organisation India

**Dr Harish Pillai**, CEO, Aster Medcity & Cluster Head, Kerala

**Dr Kunal Sarkar**, Senior Vice Chairman, Medica Superspecialty Hospital, Kolkata

**Ikram Khan**, CEO, Rural Healthcare Foundation

**Dr Debashish Bhattacharya**, Chairman and Managing Director, Disha Eye Hospitals, Kolkata

**Sanjay Prasad**, President & CEO, Mission of Mercy Hospital & Research Center, Kolkata

**Niranjan Kumar Ramakrishnan**, CIO, Sir Ganga Ram Hospital, New Delhi

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## Session 2

# Leveraging Technology, Driving Cooperative Banking (Technology Presentations)

The session focused on the technological innovations that the banking sector is leaping through, like mobile banking and internet banking while throwing light on the pros and cons of it

### Revolutionising banking



**George Verghese**  
Sr Vice President - Sales & Marketing,  
VSoft Technologies

There is going to be a revolution in the way banks are using technology. As new devices and platforms arrive in the market, we will adapt to more technologies.

This will be multi-channel banking. We

began with branches, then we had ATMs, internet banking, IVR based banking and now its mobile banking. As a bank we have to manage multiple systems and technology. This system gets complex in this environment.

Thus, we have Omni-channel banking that we recently launched in India and this will make customers of banks easier to use multi channels. This is device agnostic, platform agnostic and resolution agnostic. Anytime and anywhere. Same service across all devices and add on host of benefits to the user. It makes it much easier. All banking features and functionalities of transactions from accounts is available Back end admin makes it much easier. Security features have been included like multi-factor authentication and security features. Cheque truncation has been

mandated by RBI. Also the customer can deposit by anywhere by taking a image of your cheque and sharing it your bank which then clears. This is also included in our omni-channel product. Making banking easier and more convenient. The product offers regional language support to deliver service across branches in any state.

India is getting younger with less than 45 years of age and more technology savvy. The co-operative banks get to move ahead from relationship banking and reference based approach. Mobile technology has caught up fast with mobile wallets and their expectation is that their banking provided should be more pro-active.

One single system that gives them a holistic single user experience that benefits banks from a transaction and business perspective.

### Banking on cloud

Cloud technology offers shared services model of computing for co-operative banking. As banking technologies have gained pace in the past years, we have witnessed bankers move away from the traditional mode of banking of space and equipment. Current banking would be made elastic and more on-demand run by specialists-this would be a community co-operative banking solutions. Technology is just an enabler to run your banking technology that is seamless and on-time every time. We need one location for computing and one for disaster recovery for business continuity. This insures you from the risks of operating from a centralized architecture. This demands a complete suite of infrastructure that needs to managed and monitored. This will be a shared services based opex model that runs on a pay per use model. The banks can use the service

based on demands and are elastic to scale according to your needs. The secondary location is more of a compliance need, and our solution that offers you an option that takes away your capex and reduces costs. This creates an optimized banking infrastructure. The new concept of door-step banking has become a need as the country of digital haves and have-nots. So we provide connectivity right upto the last mile to have optimized delivery of services. Banking of everybody should have banking at doorsteps. And tab banking which supports banking ecosystems anytime anywhere. This again will run on a shared services model that will enable your outreach. A make in India story with all the building blocks and customized model that comes with on-demand model offers you value money.

The model of core banking services offers the



**HIRAK MUKHERJEE**  
Consultant - Technology, Sify Technologies

co-operative banks to avail all of technology solutions without owning infrastructure, technology and space via shared technology platforms. These are managed under highest security guidelines. You as you grow IT grow with you according to your needs. This is the community banking model and it is here to stay.



digital LEARNING

## SCHOOL LEADERSHIP SUMMIT 2016

29<sup>th</sup> January 2016, New Delhi

*"It is not about the technology; it's about sharing knowledge and information, communicating efficiently, building learning communities and creating a culture of professionalism in schools. These are the key responsibilities of all educational leaders"*

**digitalLEARNING** is pleased to announce the School Leadership Summit in New Delhi on **January 29, 2016**, with the objective of having an open dialouge between various school administrators to make education better in their organisations.

Education in India has embraced internet and technology to reach out to last man, tucked away in a corner. With

the availability of computers, internet, smart classes, digital lab, smartphones, tablets, projectors and many other digital devices, it makes more sense to invest in technology, infrastructure for education to become accessible to all. We need to build mechanisms which can take the wealth of knowledge to the masses. While we are closer than ever to achieve these objectives, more needs to be done.

Organisers



[schoolsummit.iletsonline.com](http://schoolsummit.iletsonline.com)



### For the people, by the people



**Hrishikesh Jadhav**  
Regional Sales Manager, Array Networks India

Co-operative banks are by the people and for the people. 19 percent of Indian are using Internet. And the government is promoting Digital India and National Knowledge Network

and many more will make sure Internet is available to each and every household. Mobile banking transactions are growing by 45 percent year-on-year. The recent trend has been of Core banking services upgrades by co-operative banks. Scaling up our network architecture is important and the customer experience becomes very important where the end user response is critical to this. We have application delivery networking where in us solutions from L4-L7 have. Application Delivery controllers where we have availability, scalability, performance and security by load balancing. That manages your systems and acts like web accelerator and improves your end user response time

by 80 percent. In terms of security this is a RBI guideline to have a reverse proxy device and has web application firewall. We have another range of products that ensure application security across any device on mobility and have two factor authentications in place. There is an encrypted tunnel from the end user device to the datacenter with second level of authentication. With many branches now opening in remote locations, there would be a need for VSAT connections and thus needing optimization solutions. We also have a solution that will improve your application response time and accelerate your data transfer rates and improves your bandwidth utilisation.

### Secure banking essential

Today there are enough and more incidents that indicate that mere installation of CCTV camera does not prevent crime. These device can only report an incident that too only if it is monitored on a daily basis. The review of the many incidents that have occurred recently in our cities reflect that it has been observed that the lack of pro-active approach and attention to CCTV footage on a daily basis or maintenance of the camera has been a major reason for lack of evidence. Thus co-operative banks should get more alert on the status of their CCTV camera and look at the footage on a daily basis. This will not just improve the crime rates, it will also alert you on the productivity of your staff, due



**Gautam Garodia**  
CEO, Comsur

care being taken of your customers and daily monitoring of your assets. It may seem a daunting task to monitor 24 hours of footage

daily, however we offer you a technology solution that will require you to take out one hour from your daily schedule and browse the footage. CCTV is not enough and we need to explore more ways to strengthen citizen security. Maharashtra is exploring to enact an internal security act similar to the one in Andhra Pradesh. The police force cannot manage the security needs of every citizen, and a lot of onus comes on us as bankers to upgrade from CCTV to newer technologies that offer higher surveillance intelligence. The three main tasks is need to review the footage daily, second is to take back-up and third is to make a standard incidence report format as a support document to help police authorities.

### Technology, boon or bane?

We are the key security solution providers to your banking operations. Keep you and your operations safe. Last year the total financial loss due to security lapses was ₹24,000 crore. BFSI sector has been the most affected by cyber attacks. This year the prediction was that India will have more than 3 lakh cyber crime incidences and so technology can be a boon or a bane depends on how you can use it. The key challenge once an cyber attack occurs is to track the source of the attack. This problems gets magnified by the proliferative use of pirated software. The key areas of vulnerability in

your banking technology systems includes end point security for data protection, Internet data gatekeeper, protection of branches connectivity, mobility device protection and external threats/internal threats and IoT will also complicate threat environment in banks. In terms of some key aspects of alertness when using mobile applications firstly use official applications, also avoid using banking apps when in public wi-fi as they do not have data security measures, avoid links and attachments as they are the best way to breach the security infrastructure and always log out.



**Vivek Tuljapurkar**  
Vice President - R&D, Quick Heal Tech Pvt Ltd



### Session 3

## Strengthening Rural Cooperative Banking through Technology: Opportunities & Challenges (Panel Discussion)

The session highlights the industry's need to thrive on banking technology for elevating the rural cooperatives

### Hassle-free banking



**Hemendu Sinha**  
Business Head, B2B Solutions, LG Electronics

The needs of a business segment are very different from the consumer market. This is even more so customized for the banking and financial services industry. We under our B2B segment have a major reach across

many public, private and financial services providers to assist them in their needs of integrated display systems and digital devices and solutions for quick customer service and communications. In addition we also offer security camera packed with surveillance features that lets you fulfill your banks requirements in a hassle-free manner. Our Digital Signage Systems and Solutions offer a simple, easy to use technology that use our intelligent screens for display and we are a leader in this segment to provide you with the latest technology that is used worldwide.

Simplicity, customization and easy to use solutions for display have been made by us to communicate the various important messages for the bank. In the rural areas,

the major challenge remains to be power, and here the use of projector systems needs innovative approach to address this challenge. These can be used to show videos, messages, images, text, audio can all be displayed on a single screen.

In rural banking power is a major concern for us. So our projectors are on battery backup and do not require a connection from the PC or any other power source and are anywhere anytime solutions. These can be on USB, mobile or any other device and these can be connected to the projector and displayed on the screen. These are been used in many rural branches and can also be implemented by the co-operative banks. We have our CCTV solutions that are mainly used to track threats and alerts.

### Digitisation, the way forward



**Vikesh Ramchandani**  
Assistant Director, Canon India

The common thread between Canon and banks is documents. And these documents can be makes the life difficult for a bank as it has to process thousands of these throughout the day. Even today in technology era, research shows that 90 percent of bank information as documents is stored in hard copy in some form or the other. New account document, KYC, loan documents, teller documents, audit documents, cheque and many more. Natural calamities can come without a warning and take away all the information which is next to impossible to recover. The second biggest hurdle in documentation is time as 60 percent of

manpower depends on documentation. Digitization is the way forward. There are many advantages such as direct transfer at the click of button enhance image quality using software, indexing & searching, multiple users access, reformat, edit and reprint it. We now have a broad range of products such as document readers, portable scanner, workgroup scanners, departmental scanners, network scanners, cheque scanners UV/non-UV. These have 100 pages per minute capacity and can be paced according to your needs and at affordable prices. Our service has national presence and supports your needs anytime anywhere.



### Simplicity, beauty of technology



**Krishna K Velagapudi**  
Country Manager- Infrastructure Services & Security Services, IBM

The beauty of technology is realized only when it is simple. The importance of disaster

recovery has gained importance in BFSI sector. It is a parallel set up that takes the back-up of your core banking operations on a remote location. RBI has given more focus on the importance of DR in recent times. The facility of a DR helps a CIO commit in case of an accident re-start of the entire Core Banking operations and minimum data loss. This demands certainty and accuracy. Datacentre has multiple components and gets multiple SLAs to manage the site. IBM has a virtual server recovery that comes at a very low capex and commits recovery time objective and recovery point objective.

### Generating credit facility vital

The rural cooperative banking ecosystem has three tiers, at the apex has Maharashtra Cooperative Bank; this is followed by middle tier of district central co-operative banks (DCCB) and there are close to 21,000 primary agricultural credit cooperative societies (PACS) spread across the villages. These form the integral part of the rural co-operative credit infrastructure. The main role of the rural co-operative banks is to provide credit facility to agriculturist in the state. The rural areas have plenty of scope for the use of technology to avail financial services. We aim to have common software that will link all the PACS to DCCB banks and



**Pramod Karnad**  
Managing Director, Maharashtra State Cooperative Bank

to the apex bank. These enable us to have an MIS centralised system in place.

### Digital connectivity necessary



**Chandrakant Dalvi**  
Commissioner, Department of Cooperation, Government of Maharashtra

eGovernance in any process always starts with opposition and skepticism. This was so even when the public sector banks had

decided to go on Core banking. However, after 25 years today we are reaping the benefits of that decision and digital banking is a reality today. The similar situation exists for the cooperative banks in Maharashtra vis-avis digital banking. Urban cooperative banks have taken a lead. There is a need that all the PACS and DCCBs, NABARD, MSC come up with a combined solution that will help banks to go digital. This will connect them with each other and help MIS with CBS. That will assist in analysis of data and understand the challenges of the cooperative sector in the state. The cooperative bank management officials should also change mindset towards technology and IT.

### Skill in banking, need of the hour



**Dr Vinayak Tarale**  
Maharashtra State Cooperative Banks Association

The association has always been part of hand-holding and addressing technology adoption concerns of Maharashtra Co-operative banks. As a banker, the key areas of technology implementation from a bank's perspective can be divided into computerization, manpower, regulation and IT technology & service provider. The management of co-operative banks has to take decision on the investment on technology as a trade-off between manpower and what they will do once the computer starts doing their work. In co-operative banks there is large branch manpower and productivity of staff was a decision-making consideration. Thus we should also have some benchmarks on technology in Maharashtra co-operative banks so that they can upgrade in gradation ahead. The aspect of manpower capacity building is usually not taken into consideration by the service providers and hence the implementation and adoption of any technology in co-operative banks does gone maximum benefits and reaches half way and dies out. Skills and training is the need of the hour as most of the banks now have non-technical staff. The IT companies need to work hard on their understanding of the financial services ecosystem of rural cooperative banks. The needs and margins of these banks are very different. Also the pricing mechanism followed by the companies needs to have a relook and monitoring by some agencies as rampant selling of products on arbitrary parameters has become a practice and needs to be addressed so that the rural banks are not victims of malicious IT vendors.



## Session 4 Safe & Secure Cooperative Banking (Urban & Rural): The Way Forward

The session focused on the need for and issues in acquisition of technology for elevating the rural cooperatives

### Technology not always a boon



**Murali Urs**  
Country Manager, Barracuda Networks

Technology has become core to performance in all sectors including BFSI.

And as banking is today available all the time, there is a technology that is working behind the banking applications 24\*7. The CIO or CTO of a bank today manages many and more vendors for different functions and monitors the IT infrastructure for its continual performance. There are various reasons and decision parameters that result in the purchase of technology by a bank and it has become complicated with any multiple technology and many vendors. There are lengthy sales cycles in banks for technology purchase as they take time to scope and shortlist technology and vendors, pricing is complicated for license and users, deployments becomes difficult as usually many vendors are involved to do one job and you are trying to make everyone work

together. All these add to the cost of running an IT infrastructure in the bank. Information of the bank is now available on almost every device and bank has to manage that all the right information is available in most secured way to these customers. We provide cloud solutions for the end to end needs of the customers and simplify things for the bankers. The advantage of the cloud solution is that you don't need the asset but you can avail all the technology features at the click of a button. eMail security, network security, back-up and multiple technologies can be managed from one console. It is all available to us and we can assist co-operative banks and are industry leader in back-up, content security, messaging security, application security, email archive and many more.



Chandrakant Dalvi, Commissioner, Cooperation Department, Government of Maharashtra, presents Speaker's memento to Dr M L Sukhdev, Chairman, Maharashtra State Cooperative Bank. Dr Ravi Gupta, CEO, Elets Technomedia Pvt Ltd (Right), is also seen in the picture.

# Excellence Rewarded

The Maharashtra Cooperative Summit held recently in Mumbai felicitated with awards the cooperatives with ambitious strategies, cutting-edge technologies, innovative projects and initiatives. The awards were presented to those banks and other cooperative bodies, which had achieved success in implementation of financial inclusion solutions in their zones or designated areas. These awards are a motivation to those programmes/ initiatives for building a holistic development and inclusion.



Awardees, along with other dignitaries, pose for a group photograph.