STATE LEVEL BANKERS’ COMMITTEE - KARNATAKA

**Convenor – SYNDICATE BANK, CORPORATE OFFICE, BANGALORE**

MINUTES OF THE 126th SLBC MEETING HELD ON 19.03.2014

The 126th SLBC Meeting was held on 19th March 2014 at the Conference Hall, III Floor, Vidhana Soudha, Bangalore, under the chairmanship of **Sri Sudhir Kumar Jain, Chairman-SLBC & CMD, SyndicateBank**.

The Chairman-SLBC extended hearty welcome to Sri G.V. Krishna Rau, Addl. Chief Secretary & Development Commissioner: GoK; Smt Uma Shankar: Regional Director: RBI, Sri G.R. Chintala: CGM: NABARD & Sri Ateesh Singh: Director: DFS: MoF: GoI. He also extended warm welcome to the Addl. Chief Secretary, RDPR Dept., Principal Secretaries, Secretaries, Senior Officials from GoK representing various Line Departments and Managing Directors / Heads of State Level Corporations / Boards, Chairmen of RRBs, Executives from RBI, NABARD, HUDCO, NHB, SIDBI, Postal Dept., Commercial Banks, Co-op. Banks, Micro-Finance Institutions, other Financial Institutions, Insurance Companies, NGOs & Special Invitees.

In his brief & crisp keynote address, he highlighted the performance under key thrust areas during the first 9 months of current fiscal 2013-14. He said that Bankers’ meeting on **SECURITY ASPECTS OF ATMs,** owing to incidence of attack on a customer at ATM point, was convened on 25.11.2013 at a very short notice since the Police authorities insisted for adequate security measures & resorted to closure of unguarded ATMs. After thread-bare deliberations & in tune with the suggestions emanated, the SLBC had requested the Police Dept. for granting additional time for compliance. Accordingly, the Police Dept., Govt of Karnataka had granted 45 days time to Banks for providing 24x7 security guards, install CCTV cameras (both inside & outside) and arrange for burglary alarm system. He informed that the Ministry of Finance, GoI had also addressed a letter to Govt of Karnataka suggesting for working out graded security system & curtailing the working hours of secluded / isolated ATMs. Another meeting was held on 18.1.2014, wherein the City Police Commissioner, Bangalore meticulously reviewed Bank-wise position on implementation of security measures. Few Banks had requested for further additional time for full compliance from the point of view of logistics. The minutes of the meeting received from the City Police Commissioner were circulated to all the Banks & requested to submit full-fledged compliance report to the City Police Commissioner, Bangalore on priority. He requested all the Banks for doing the needful immediately.

He said that theimplementationof the **AADHAAR LINKED LPG SUBSIDY SCHEME** hascommencedfrom 1.6.2013 in Tumkur and Mysore Districts during the first phase. In the subsequent phases, another 23 Districts have been covered. The number of LPG consumers was 28,60,970, the highest in Bangalore Urban District and was 64,094, the lowest in Koppal District. As regards percentage of Bank Aadhaar seeding, it was as high as 87.87% in Mysore District and was lowest in Bangalore Rural District, being 12.68%. The guidelines and action points received from RBI & GoI were circulated to the concerned Banks / LDMs from time to time. He requested all the Banks to evince keen interest in effective implementation of the scheme.

He informed that **DIRECT BENEFIT TRANSFER (DBT)** Scheme is implemented in Mysore, Tumkur & Dharwad Districts on pilot basis. He appealed to all the Banks to provide banking outlets in all the allotted Sub-service area centres to facilitate smooth implementation of the Scheme. He said that Banks have opened 89,224 accounts, issued 33,570 Debit Cards, seeded 76,949 accounts and mapped 76,949 accounts with NPCI Mapper. He requested all the participating Banks to take necessary steps for expediting seeding of Aadhaar number in the Bank accounts and map with NPCI Mapper for all the eligible beneficiaries.

Touching upon **BHOOMI-BANK INTEGRATION,** a unique and prototype project of the State, he said that as on 12.3.2014, the Banks had carried out 1,25,809 online transactions, of which 86,125 relate to current year. He informed that the Revenue Dept, GoK has communicated that they are on the job of taking up improved version of Bhoomi Project “NAMMA BHOOMI” where the noting of lien on Record of Rights and Encumbrance Certificates would be considered simultaneously as requested by SLBC to facilitate mortgage transactions also online.

He informed that in the first phase of **FINANCIAL INCLUSION**, all the identified 3,395 unbanked villages have been provided with banking outlets. Out of which, Brick & Mortar branches were opened in 426 villages accounting for 12.55%. He requested the participating Banks to ensure opening of Brick & Mortar branches at least in 15% of villages.

He said that in tune with RBI guidelines on roadmap for providing banking services in villages with population below 2000, the Banks have been allocated 23,126 villages. The Banks have provided banking outlets in 11,969 villages up to January 2014, vis-à-vis the current year original target of 13,684 villages, thereby recording 87.47% achievement. However, during the Financial Inclusion Plan Review Meeting, the participating Banks had committed to RBI to cover 16,291 villages during the current fiscal itself. **He requested the participating Banks to ensure accomplishment on time bound manner as per the commitment, backed by Brick & Mortar branches at least in 5% of the villages allotted as stipulated by RBI. He also appealed for increasing the number of transactions per Business Correspondent per day and closely monitor the progress**.

Continuing his address, he told that in terms of MoU entered with Govt. of Karnataka, **ELECTRONIC BENEFIT TRANSFER** (EBT) Scheme is implemented in 7 Districts on pilot basis. Under National Rural Employment Guarantee Scheme (NREGS), Banks have opened 7,57,098 accounts, issued 7,48,160 cards and disbursed Rs. 6.28 cr. The average amount per transaction comes to Rs. 1,463/-. Similarly, under Social Security Pension Scheme, Banks have opened 4,52,251 accounts, issued 4,33,054 cards and disbursed Rs. 113.39 cr. The average amount per transaction works out to Rs. 499/-. He appealed to all the participating Banks to complete the assignment of enrolment, opening of accounts and issue of Smartcards immediately. He also requested the State Administration to assist the Banks in conducting camps for effective enrolment of eligible beneficiaries.

Highlighting the achievement under **ANNUAL CREDIT PLAN** 2013-14, he said that Banks have disbursed **Rs. 51534** cr. upto December 2013 against the annual target of **Rs. 73362** cr., thereby recording an achievement level of 70.25**%** under Priority Sector Credit. The disbursement under Agriculture sector was **Rs. 30609** cr. vis-à-vis the annual target of **Rs. 44545** cr., registering 68.71 **%** achievement. Banks have disbursed **Rs. 22377** cr. under crop production loans against the annual target of **Rs. 27112** cr., thereby recording 82.54**%** achievement. He was hopeful that the disbursement would gear up during the last quarter and the set target would be achieved. He told that during the corresponding period of previous year, Banks had disbursed Rs. 44455 cr. against the annual target of Rs. 61805 cr. recording an achievement level of 72% under total Priority Sector Credit. Achievement under Agriculture Sector was Rs. 27077 cr. against the annual target of Rs. 36512 cr., accounting for 74.16% achievement. The disbursement under Crop Loan was Rs. 17776 cr. vis-à-vis the annual target of Rs. 22223 cr., registering an achievement of 80% of annual target.

Under Crop loan Interest Subvention Scheme of GoK, he said that the interest subsidy claims of PSBs & RRBs in respect of 8,16,802 farmers to the tune of Rs. 40.60 cr. have been settled by the Dept. of Agriculture so far. He appealed to the Bankers to submit all eligible claims under the scheme immediately. He requested Govt. of Karnataka to enhance the eligible limit from the present Rs. 1 lakh to Rs. 3 lakh and provide certain percentage of subvention to all the farmers & certain percentage of incentive to those who repay promptly, like GoI Scheme. He also requested the State Administration to extend the facility to Private sector banks on the lines of prevailing Govt. of India scheme.

He informed that under **HOUSING LOAN** Schemes, Banks have disbursed Rs. 3650 cr. covering 61184 accounts during the first 9 months. The outstanding level of advances under Housing stood at Rs. 30912 cr. spread over 440826 accounts as of Dec. 2013. He said that one day workshop on Housing Finance Schemes was conducted for all LDMs on 17.1.2014 with a special focus on Rajiv Rinn Yojana (RRY), which is a modified version of erstwhile ISHUP scheme. He informed that the DMA was requested by SLBC to furnish district wise targets under RRY so as to communicate the same to LDMs for bank / branch wise allocation. He requested all the Banks to gear up the performance under Housing schemes though there is no set target under General Housing schemes.

He said that under **EDUCATION LOANS**, Banks have disbursed Rs. 713 cr. to 52684 students during the first 9 months. As at Dec. 2013, the outstanding level of education loans was Rs. 4642 cr. covering 223357 accounts. As directed by Govt. of India, SLBC has allocated Bank-wise targets so as to improve the level of outstanding loans under Education from Rs. **4263.43 cr (226773 a/cs)** as on 31.3.2013 to Rs **5116.12 cr (272128 a/cs)** by 31.3.2014. Both the number of accounts and outstanding amount shall be increased by 20% over the year, since in our State, the % growth during the last fiscal was less than 10% in number of accounts and 20% in loan amount outstanding. **He requested all the Banks to take necessary steps to achieve the targets and consider all genuine proposals for extending finance without any delay.**

Highlighting the performance under **MICRO & SMALL ENTERPRISES** sector, he said that Banks have disbursed Rs. 11068 cr. upto Dec. 2013. Under CGTMSE scheme, Banks have financed 22530 units with credit limit of Rs. 1153 cr. during the first 9 months. The cumulative coverage comes to 108674 units with credit limit of Rs. 5435 cr. upto Dec. 2013. He requested all the Banks to play a proactive role in extending financial assistance to the eligible units by making full use of CGTMSE scheme.

Under **CREDIT TO WEAKER SECTIONS**, he said that the level of advances was Rs. 51310 cr. as of Dec. 2013 against the level of Rs. 39745 cr. during the corresponding previous year. Banks have recorded Y-O-Y growth of 29.10 in the level of outstanding advances. The percentage of advances to weaker sections to total advances stood at 13.79% as against the stipulated target of 10.00%. He congratulated and complimented the Banks for surpassing the stipulated benchmark level.

He also requested all the Banks for effective implementation of Priority sector credit schemes pertaining to Self Help Groups, Joint Liability Groups & Micro Credit.

Thereafter, he highlighted in brief, the data based performance of banking sector relating Deposits, Advances, CD Ratio, Priority Sector Credit, Farm Credit & Credit to Women segment as on Dec. 2013. He requested all the Banks to make sector-wise analysis of credit and assess the required infrastructures (backward and forward linkage) to create enabling environment for improving the credit off-take in relation to neighbouring States like TN & AP.

He earnestly requested the State administration to join hands with banks in recovery efforts to reduce the NPA level, which is a great cause of concern. Timely recovery of loan is of paramount significance for effective & efficient recycling of funds.

Before concluding the keynote address, the Chairperson once again expressed his sincere gratitude to all the participants for attending the meeting.

**Sri G.V. Krishna Rau, Additional Chief Secretary and Development Commissioner, Govt. of Karnataka** in his short address informed that on earlier occasions, the Hon’ble Chief Minister and the Chief Secretary had addressed touching upon the key economic indicators which require immediate action. But, the action points did not even list most of those points. Therefore, he preferred to interact during the presentation of the agenda points, except highlighting a few points.

He has flagged the following crucial issues.

1. **Credit Deposit Ratio**: The CD Ratio of the State is hovering around 75% since the last 3 years. In respect of some Banks, it is even less than the stipulated benchmark level of 60%. There is a need to conduct dispassionate study to identify the constraints coming in the way of improving the CD Ratio. Based on the findings, appropriate action plan is to be devised. Few Banks have already crossed 100%. Their experiences should be examined for leads to improve the performance of other banks. Similarly, the implementation of priority sector schemes and govt. sponsored programmes also requires to improve. It is surprising to note that Commercial Banks are not evincing interest in extending the Pledge loans to government companies and they are insisting for State Govt. guarantee, which is not mandatory. The Police Housing Corporation wanted to borrow, with Government Guarantee and even these Commercial Banks did not evince interest. Efforts are to be made to make use of all available opportunities to improve the CD ratio. The Govt. has introduced Warehouse based trading. Online trading has been introduced under unified market platform. At present, the traders are doing business without investment as the payments are invariably delayed.. Traders need to make payment immediately in the online trading process. He requested the Banks to take initiative for need based financing of online traders of agriculture produce, which has vast potential.

In case of crop loans, most of the loans are rolled over / refreshed for existing clients by merely revising scale of finance. There is an urgent need to take forward agriculture lending by focusing on uncovered farmers and investment credit for agriculture to boost up CD Ratio and make farming sustainable in the long run.

1. **Electronic Benefit Transfer (EBT):** He said that though the scheme was launched nearly 6 years back on pilot basis, still 100% accomplishment has not been made. Neither the Banks nor the concerned Line departments are owning the scheme. He informed the House to chalk out an action plan to achieve the set goal by giving the final timeline.
2. **Impact of recent Hailstorms:** He said that recently in some parts of the State, the hailstorms had caused devastating effect on standing field crops / fruit crops. The Banks may get ready with the required information to facilitate a relief package. Though, the model code of conduct on account of Parliamentary Elections is in vogue, it will not come in the way of collecting the required information. Only the announcement of package will have to await the lifting of Model Code of Conduct.

At the end, he thanked the participants and requested them to offer valuable inputs during the course of deliberations on agenda points for devising fruitful action plan.

**Smt. Uma Shankar, Regional Director, RBI** in her address, stressed on the importance and utility of SLBC as a platform to review the contribution of banks to the growth of the economy and monitor the progress in implementation of State / Central Govt. sponsored schemes for upliftment of Weaker Sections. Hence the Meeting of SLBC at prescribed intervals on a regular basis is essential, which needs to be facilitated by all the stakeholders.

She said that though the banks have completed providing banking services to all the 3395 unbanked villages with a population of more than 2000, brick and mortar branches have been set up in only 12.55% of the total number of villages vis-à-vis, the stipulated target of 15%. As regards villages with a population of less than 2000, banking outlets have been provided in 11969 villages up to January 2014 as against the committed target of 16291 villages by March 2014. It is to be noted that the banks in the neighbouring States have surpassed the targets allotted to them. Further, even in the setting up of brick and mortar branches, Karnataka lags behind with only 180 branches leading to a huge deficit in achieving the target prescribed for the same at 5%. She advised the participating banks to achieve the goal without fail by the end of the current fiscal.

In respect of Credit Deposit Ratio, she said that several factors are contributing to the non-achievement of the desired level of CD Ratio. In the six Districts where the CD Ratio is far below the stipulated level, which is pulling down the average CD Ratio of the State, concerted efforts are required for a significant improvement.

The Regional Director also briefed the banks regarding the complaints received by RBI. Most of the complaints relate to education loans, where the loan applications are not considered in time or rejected without assigning proper reasons. She advised the banks to be more transparent by displaying a list of eligible courses for education loans. There is a need to conduct pro-active house-hold survey to identify the college going students and to assess their financial requirements. The release of subsidy is to be made without waiting for the applicants to seek subsidy based on their eligibility for receiving it. Thereafter, the House was briefed by the Regional Director on the latest Regulatory developments. While doing so, she referred to the important recommendations of the Report on Financial Services for Small Business and Low Income households and also the action points arising out of the annual conference of Banking Ombudsmen.

**Shri G.R. Chintala, CGM, NABARD,** Karnataka RO, Bangalore in his address referred to the discussions on Pomegranate / Grape Package for farmers in Karnataka in the presence of GoI officials. He hoped that some announcement in this regard would be made soon as such expectations are there at ground level. He referred to the good rainfall in the country and State on an aggregate level and the State still having 125 blocks as drought affected indicating a possibility of impact on recoveries of banks. He urged that suitable relief measures may be initiated by banks as per extant RBI norms.

While discussing CD Ratio, he indicated that the same as of December 2013 was 75.58% vis-à-vis 74.99% as on December 2012. Some of the banks having good presence in the State having CD ratio which is below the level of 60%, need to analyse credit flow to productive sectors including investments in agriculture, plantation and horticulture, food processing, etc. Further, the banks in low performing six districts would have to initiate suitable measures to come up to the level of other better performing districts. He indicated that the RRBs have been excellent contributors to the development of the State with high CD Ratios but are not getting support from Govt. Corporations / Agencies in the form of Deposits which are usually kept with CBs and requested the State Govt. to issue suitable instructions in this regard.

Shri Chintala indicated that Investment credit for productive farm investments leading to capital formation needed more focus in the State. An analysis based in NABARD refinance availment indicates that major portion ATL loans goes to NFS/SHG loans and not for productive agricultural investments. This needs to change, he said. In this context he indicated that world over Aggregation of Agriculture Produce is gaining focus with an aim to increase proportion of consumers' rupee going to farmers. In India it is about 25% as against goal of 70%. NABARD on its part has funded several Producers' Organisations in the State with excellent results. Government of India had announced two major initiatives to support Farmer Producer Organizations (FPOs) viz., Support to equity base of FPOs by providing matching equity grant and setting up of Credit Guarantee Fund in Small Farmers Agribusiness Consortium (SFAC) to provide risk cover to banks and agencies which advance loans to FPOs without collateral.

He said that GoI has sanctioned to SFAC Rs. 50 Crore for providing **equity support to FPOs** and Rs. 100 Crore for setting up of a **Credit Guarantee Fund** to provide cover to banks which advance loans to FPOs without collaterals. Consequent to this announcement by GoI, SFAC has brought out detailed guidelines for the implementation of the above scheme. The details in this regard can be accessed through the following link: <http://sfacindia.com/PDFs/Equity-Grant-Scheme-and-Credit-Guarantee-Fund.pdf>. Banks may increase their loaning portfolio to FPOs. This would go a long way promoting the new lending activity and would give the necessary impetus to Agricultural aggregation which is the need of the hour.

CGM further informed the house that the Unit Cost Committee has since revised the Unit Costs for farm Sector Activities and the same have been communicated to the banks and Government departments. Banks are specifically advised to use the revised Unit Costs in the credit planning exercise. As regards Unit Costs of MSE/NFS activities, District level Unit Cost Committee (DLUCC) meetings have been held only in 15 districts in the State. The LDMs of other districts should be advised to conduct meeting and fix the unit cost immediately. These measures would also help in improving CD ratio.

Shri Chintala indicated that in a few districts (e.g. Mysore) it has been reported that the Deputy Commissioners have asked the banks to stop all lending activities during the period of Election Code of Conduct. He requested the State Govt. to look in the matter as banks were not allowed to undertake even genuine and normal banking activities like lending which may also impact banks' performance under ACP.

He informed the house that CBS enabled Cooperative Banks and RRBs in the State had come forward and started issuance of Rupay KCC which was a welcome step. He requested all DCCBs and RRBs to join hands and issue Rupay KCC cards in good numbers indicating that NABARD support was also available for the purpose. Banks should not only treat this as a step towards easing the credit flow to the agricultural sector but also retaining their customers in a technologically enabled environment.

Informing the house about Government Sponsored schemes being implemented by NABARD in the State, he advised the banks to ensure that farmers / beneficiaries are guided suitably when they approach banks for loans. The applications received by NABARD are many times found lacking in essential information / documents / eligibility requirements. NABARD would now be returning such deficient applications to banks without rejecting them so that the same could be modified, wherever feasible, to fit the eligibility criteria / fill information gaps. The idea is that farmer should not suffer owing to communication gap at different levels.

He further indicated that NABARD will provide concessional refinance to RRBs against the loans extended by them to Women SHGs in 150 districts identified under interest subvention scheme under NRLM operationalised by Ministry of Rural Development, GoI.(Ref. NABARD. MCID.HO.Circular letter No.249/ MCID-15/2013-14 dated 26 November 2013). The rate of interest on refinance under the scheme will be 4.5% p.a. subject to a condition that RRB will lend to all the women SHGs upto Rs.3.00 lakh at the interest rate of 7% p.a., in identified 150 districts. The identified districts in Karnataka are: Mysore, Tumkur, Gadag & Koppal. It is further clarified that interest subvention is available on RRB's own funds involved, excluding NABARD refinance.

## He informed that HO: NABARD vide Circular No.28/MCID-03/2013-14 dated 12 February 2014 addressed to all the Managing Director, All State Cooperative Banks has indicated that the implementation of interest subvention scheme will be restricted only to Core Banking Solution (CBS) compliant Cooperative Banks.

**Sri Ateesh Singh, Director, DFS, MoF, GoI** in his address informed that Financial Inclusion is the top most agenda item of GoI. There is a need to ensure extension of financial services to hitherto un-served segment of large population, particularly in hinterland by opening more number of Brick & Mortar Branches and increasing the number of ATMs, alternative delivery channel. The installation of ATMs is in slow pace, falling short of the target. Financial Inclusion is not for mere compliance, but to create adequate opportunities / avenues to all the beneficiaries to embark upon gainful economic activities to improve their standard of living.

Continuing his address, he touched upon the immense significance of maintenance of asset quality, arresting the trend of increasing NPA level. Due diligence plays an important role in curbing the NPAs, which is the primary cause for mounting NPAs. Sustained and intensive focus to be made for recovering stressed assets. Post-sanction follow-up and monitoring are to be strengthened to avoid fresh slippage of assets to NPA category. During the period March 2013 to December 2013, the level of NPAs has gone up. The audit report quality is to be fine tuned to improve the internal control. These aspects were discussed during the recent Hon’ble Finance Minister’s meeting with CEOs of PSBs.

He said that **Bhoomi-Bank Integration** is a unique and prototype project being implemented by Karnataka State. The scheme has to be taken forward further to attain still further heights. The Govt. of India is also advocating other States to emulate this novel scheme of Karnataka. He requested the State Administration to extend the scheme to other key areas like Housing Loans, etc.

Briefly touching upon Credit Deposit Ratio, he informed that it is to be stepped up by extending loans to all eligible economic activities and concurred with the statement made by ACS & DC, GoK in his address regarding scope for increasing CD ratio.

Thereafter, Agenda was taken up for deliberation by the Convenor Sri K. Santhosh Kamath & GM, Syndicate Bank.

**AGENDA 1.0 : CONFIRMATION OF THE MINUTES OF 125th SLBC MEETING**

# The Minutes of 125th SLBC Meeting held on 23.10.2013 were circulated vide letter No. 940/2013/2944/SLBC/-F-101-125 dated 31.10.2013. The Minutes were approved as no suggestions for amendments received.

**AGENDA 1.1 : BANKERS’ MEETING ON SECURITY ASPECTS OF ATMs**

SLBC convened Bankers’ meeting on 25.11.13 at a short notice since the Police authorities insisted for adequate security measures and resorted to closure of unguarded ATMs consequent upon attack on a lady customer. In tune with the suggestions emanated, SLBC had requested the Police Dept. for granting additional time for compliance by Banks. Accordingly, the Dept. had granted 45 days time for providing 24x7 security guards, install CCTV cameras (both inside and outside) and arrange for burglary alarm system. The Ministry of Finance, GoI addressed a letter to GoK suggesting for working out graded security system & curtailing the working hours of secluded / isolated ATMs. Follow-up meeting was held on 18.1.2014, wherein the City Police Commissioner, Bangalore meticulously reviewed Bank-wise position on implementation of security measures. Few Banks had requested for further additional time upto March 2014 for full compliance from the point of view of logistics. The minutes of the meeting received from the City Police Commissioner were circulated to all the Banks & requested to submit full-fledged compliance report to the City Police Commissioner, Bangalore on priority.

**(Action : Banks)**

**AGENDA 2.1 : DIRECT BENEFIT TRANSFER-LPG (DBTL) SCHEME**

The implementation of the above Scheme commenced from 1.6.2013 in Tumkur & Mysore Districts during the First Phase. In the subsequent phases, another 23 Districts have been covered. The District-wise details of the progress made were presented to the House.

The slow progress in some Districts was attributed on account of the following reasons:

1. Adverse publicity in the prominent local dailies quite often on Aadhaar seeding.
2. Many dealers not willing to follow the new procedure and LPG workers at ground level not showing much interest.
3. Interim verdict by Hon’ble Supreme Court stating that Aadhaar seeding is not compulsory for Govt benefits.
4. Very poor / low response for the Drop boxes kept at Dealers’ shops.
5. Apprehension that consumers need to pay Rs.141 extra per cylinder as per Newspaper publication.
6. Objections by Public representatives in GP/TP meetings resulting in adverse impact.
7. Though Aadhaar cards have been generated, some of the beneficiaries have not received till date.
8. As per the list provided by OMCs, only 30% consumers are having mobile numbers.

The Chairperson requested all the stakeholders to put in lot of efforts for completing the task.

**(Action : Banks / LDMs / concerned Line Depts.)**

**AGENDA 2.2 : DIRECT BENEFIT TRANSFER (DBT) SCHEME**

The above scheme is being implemented in Tumkur, Mysore & Dharwad Districts on pilot basis. The directions of DFS: MoF: GoI on implementation of DBT scheme were discussed in various fora. Seeding of Aadhaar Nos. into Bank’s CBS account number and mapping to NPCI Mapper is to be carried out on daily basis. Banks need to quickly assess and decide on the additional bank branches to be opened and BCAs to be appointed for complete coverage of the district, irrespective of population and ensure adequate facilities for cash withdrawals. The ATMs are to be opened on top priority and BCA services are to be ensured in each such Sub-Service Area. Further, One Senior Officer of the Bank must be designated to look after the entire work related to implementation of DBT. SLBC has already circulated the list of 26 schemes of Central Sector under DBT. The District-wise progress on opening of accounts, Aadhaar seeding, NPCI mapping, SSAs, BCAs appointment and ATMs installed were presented to the House. In the State, there are 5630 Gram Panchayats spread over 30 Districts comprising 6945 SSAs. The Banks have already covered 4728 SSAs through Branches and BCAs. Banks were requested to appoint / engage BCAs, wherever required. As per DFS: MoF: GoI guidelines, LDMs were advised to enter SSA details into the web-portal created by DFS immediately. SLBC has been following up with the LDMs regularly to complete the task. The DFS has been reviewing the progress through video conference on regular basis.

The ACS & DC, GoK desired to know the reasons for not issuing Debit cards to all the account holders. The GM, SBM informed that many of the Banks are yet to furnish the progress report. In the initial stage, the Banks were advised to only open the accounts under Students’ Scholarship Scheme. Now, most of the students have drawn the amount fully. They will be coming for the bank transactions only during beginning of ensuing year. The Chairman-SLBC informed the Bankers to keep the Debit cards ready and issue the same immediately when the students approach the banks for the next transaction without fail. The Convenor-SLBC informed that DFS will start reviewing the progress in issue of Debit cards through video conference. He requested the Banks to dispatch the cards by post, wherever required.

The ACS & DC, GoK observed that even in DBT districts, all the Branches are not having onsite ATMs. He suggested SLBC to devise a format to gather the information on District-wise Branches, onsite ATMs, number of SSAs, number of BCAs, number of Brick & Mortar Branches and the business turnover made by the BCAs. The Addl. Chief Secretary, RDPR Dept., informed that under MGNREGS, huge amounts are paid as wages through 100% e-FMS. The amount disbursed through BCAs is meager. He suggested the Bankers to make full use of BCAs and ensure that at least one ATM is opened in each Gram Panchayat.

The RD: RBI informed that setting up of Brick & Mortar Branch or installation of ATMs in small villages may not be viable and sustainable in the long run owing to number of transactions and amount of business. The services of existing BCAs are to be harnessed fully in the beginning stage.

The ED, Canara Bank informed that onsite ATMs will be installed in all the Branch premises before 31st March 2014. The ATM installed with a distance of 500 Meters from the Branch is also considered as onsite ATMs.

All the Banks were requested to ensure submission of comprehensive compliance report for the action points relating to implementation of DBT scheme.

**(Action : Banks)**

**AGENDA 2.3 : IMPLEMENTATION OF BHOOMI-BANK INTEGRATION:**

The Banks have carried out cumulatively 1,25,809 online transactions under Bhoomi Project as on 12.3.2014, of which 86,125 transactions were carried out during the current year. The Revenue Dept, GoK, has informed that noting of lien in ROR and EC simultaneously is not possible due to limitation of technology under Bhoomi-Bank Project. However, it is informed that they are taking up improved version of Bhoomi Project “NAMMA BHOOMI” where the above request for noting of lien simultaneously in ROR & EC would be considered.

**(Action : Revenue Dept., GoK)**

**AGENDA 2.4, 2.5 & 2.6 : FI - PROVIDING BANKING OUTLETS IN VILLAGES**

Under unbanked villages with > 2000 population, Banks have provided banking outlets is 3395 comprising 426 Brick & Mortar Branches, 1284 USBs, 1659 BCAs & 26 Mobile Vans as on Dec 2013. As per RBI’s direction, Banks are required to provide 15% of these villages with B & M Branches. As of now, it is 12.55%. Banks were requested to ensure 15% by March 2014. Since DBT is being implemented in Mysore, Tumkur & Dharwad, all villages in these districts are to be provided Banking outlets irrespective of population.

Under unbanked villages with < 2000 population, there are 23,126 villages and the list of the Villages along with Bank wise allocations has already been communicated to Banks and hosted in SLBC website. The Banks have covered 11,969 villages upto Jan. 2014 against the target of 13684 for the current year, which works out to 87.47% achievement. RBI has advised that at least 5% of the villages under this category shall be provided with B&M branches. So far 180 B&M branches are opened. In the Bankers’ FI Review meeting held on 14.2.2014, Banks had committed to cover 16,291 villages by March 2014 itself. It was also advised to make Bank-wise analysis and review of the progress.

In terms of the directives from DFS: MOF: GOI, LDMs are required to update banking amenities data regularly, at least on a monthly basis, in the Web portal (<http://financialservices.gov.in/GIS/Login.aspx>). SLBC has communicated the guidelines to all the LDMs and following up with them regularly. The availability of banking infrastructure for Financial Inclusion and implementation of DBT are crucial. Hence, the data entered in the GIS module under the Head “Banking Amenities Data for GIS for Financial Inclusion” shall be accurate and updated regularly on an ongoing basis. Banks were requested to furnish the information to LDMs soon after opening of Brick and Mortar Branch or appointment of BCA or any other type of banking outlet. Controlling offices of Lead Banks were also requested to monitor LDMs for updating the GIS module on regularly.

**(Action : Banks / LDMs / SLBC )**

**AGENDA 3.1 : ELECTRONIC BENEFIT TRANSFER [EBT] SCHEME**

EBT is being implemented in Bellary, Chitradurga, Gulbarga and Yadgir districts under “One District Many Banks Model” and in Chamarajanagar, Mandya and Dharwad under “One District –One Bank Model” as per MOU. A Training programme on operations of the EBT-PORTAL of DSSP, GoK was conducted by SLBC on 15.03.14 for the stakeholders in association with NIC & DSSP, GoK. After the training, District-wise / Bank-wise review of progress under SSP scheme was made. Lead Banks and participating Banks were advised to take urgent steps to complete the task immediately, especially under SSP scheme. Bank-wise / District-wise information on the status of implementation was presented to the House.

Based on feedback received from few banks / LDMs, the following issues were brought to the notice of Finance Dept, GoK:

1. Incorrect generation of notices. Beneficiaries enrolled earlier or holding cards had again attended enrolment.
2. Accurate details of beneficiaries who are yet to enroll were not available with Village Accountants / Assistants. The beneficiaries furnished in the list were not available in the location. In some cases, notices were issued on the enrolment day resulting in poor awareness of the enrolment programme.
3. Non-availability of Village Accountants / Assistants at the enrolment location for proper coordination and not showing much interest.
4. Death & Migrated beneficiaries’ records continued to be shown as pending.
5. Though the TSP is uploading all the data pertaining to that Taluk before drawing the enrolment schedule, the response is not encouraging. In some cases, abrupt cancellation of scheduled camps by Taluk Administration.
6. Duplication in beneficiaries’ data while downloading from portal & need for reconciliation.

The ACS & DC, GoK observed some coordination problem in implementing the scheme. There is a huge gap in data received, beneficiaries enrolled and accounts opened. He advised the Revenue Dept. and RDPR Dept., to issue a circular to constitute Sub-divisional level Coordination committee under the chairmanship of Asst. Commissioner on a mission mode to closely monitor the progress under SSP & NREGS, respectively. Under SSP, 100% is to be achieved by June 2014 and under NREGS, by Sep. 2014.

The Chairman-SLBC suggested for collecting information on number of transactions, volume of business per day & per BCA to assess the functioning level of BCAs.

The RDPR Dept, GoK was requested to sanction the claims submitted by the Lead Banks in respect of Smartcard charges and Turnover Commission pertaining to Bellary & Chitradurga Districts.

**(Action: Revenue Dept. / RDPR Dept. GoK / Banks / concerned LDMs / SLBC)**

**AGENDA 3.2 : e-PAYMENT OF COMMERCIAL TAXES**

Some of the Commercial Banks had informed that their customers are requesting their Branches to accept commercial taxes as the Banks are under 100% Core Banking Solution platform and their customers have to approach other Banks for payment of Commercial Taxes. They had approached Government seeking accreditation. In the last SLBC meeting, Bank of India informed that they had got accreditation from GoK. The OBC representative informed that compliance report had been submitted to FD, GoK for kind consideration in tune with extant policy decision of the State Govt. GoK.

The Principal Secretary, Finance Dept., informed that the proposal is under consideration.

**(Action : FD, GoK)**

**AGENDA 3.3 : IMPLEMENTATION OF FINANCIAL INCLUSION PLAN (FIP) IN**

**KARNATAKA**

As per RBI guidelines, the Banks have submitted disaggregated FIP covering the period 2013-2016 to RBI. A consolidated progress report on FIP for the State is to be submitted on monthly basis to RBI under copy to SLBC. Further, Banks were advised to designate Nodal Officer/s for monitoring implementation of FIP and furnish contact details of such Officers. Banks were further requested to submit FIP in LBS MIS-IV and quarterly progress in LBS MIS-V (46 parameters) to SLBC for consolidation as per RBI Cir. BC.68 dated 19.3.2013.

**(Action : Banks)**

**AGENDA 4.0 : FINANCIAL LITERACY CENTRES (FLCs):**

As per RBI guidelines, Banks are required to open FLCs at taluka level as per the allocation made by LDMs. The LDMs were advised to follow-up in DCC / DLRC, revisit allocation already made wherever required and pursue with the Banks / Trusts to open the FLCs at Taluka level. Banks / Trusts are required to submit quarterly progress report as per the prescribed format. DCC / DLRC should review and insist Banks / Trusts to open FLCs at Taluka level as only 105 FLCs are opened so far out of 176 taluks. The details of FLCs opened were presented to the House.

SLBC has carried out the tender process and printing order was given to print Financial Literacy Guide, Financial Diary and Financial Literacy poster in Kannada version (received from RBI) for distribution amongst the Banks, FLCs, etc., and would claim reimbursement from NABARD.

The ACS & DC, GoK sought the activities being carried out by FLCs. The Chairman-SLBC informed that the progress is being reviewed by the Regional Offices / Head Offices of concerned Banks and also as one of the agenda items in the Sub-Committee meetings on Financial Inclusion under the Chairmanship of RD, RBI. It was suggested to avail the services of FLCs for expediting opening of accounts by eligible beneficiaries under NREGS.

**(Action : Banks / LDMs /SLBC )**

**AGENDA 5.0 : INTEREST SUBSIDY SCHEME ON CROP LOANS TO FARMERS**

**UPTO** ` **100000/- THROUGH PSBs/RRBs**

The GoK has been implementing the above scheme and providing interest subsidy for crop production loan upto the limit of Rs. One Lakh (who repay promptly) availed from PSBs and RRBs. Interest subsidy claims settled under GoK scheme so far was Rs 40.60 crore covering 8,16,802 farmers. The Dept. of Agriculture had been requested to extend the scheme to Private Sector Banks on par with GoI scheme for creating level playing field. Certain % to be given to all the farmers and certain incentive to those who repay promptly may be considered. Similarly, the limit might be enhanced to Rs 3 lac on par with GoI scheme. This issue was also discussed in the EC meeting of RRBs & SLBC Sub-Committee meeting on ACP. SLBC had requested Agriculture Department to provide additional fund of Rs 20 crore in order to meet the claims since the banks will be submitting immediately after the closure of the current fiscal. Further, GoK was also requested to confirm as to continuation of the Interest Subvention scheme to Crop Loans for the year 2013-14 in order to advise the banks / branches to obtain Audit Certificate from the external auditor, which is required for claim settlement.

The ACS & DC, GoK informed that the scheme would continue for the current year also.

**(Action : Dept of Agriculture, GoK)**

**AGENDA 6.0 : REVIVAL, REFORM & RESTRUCTURING PACKAGE FOR**

**HANDLOOM SECTOR**

The guidelines of the above scheme were discussed in the earlier meeting with the bankers having exposure to handloom sector. NABARD informed that Recapitalization Assistance of Rs 4.35 crore has been released to one Apex Weaver Society and 104 PWCS so far. Taking this into account, Banks are required to provide working capital limit to AWCS and PWCS as well as extend loan to the individual weavers. Banks need to follow modified operational guidelines of Ministry of Textiles, GoI, which were sent to Banks by SLBC. The State-wise claim has to be submitted to NABARD, RO in the prescribed format. All Banks were requested to submit information on ground level disbursement data on a monthly basis.

As regards, Weavers Credit Card (WCC) under the Comprehensive Financial Package, NABARD has set a target of 10000 during the current year. The Dept of Handlooms & Textiles had furnished the bifurcated District-wise target and the same was communicated to LDMs for Bank-wise allocation. Banks have issued 1804 cards (Rs 4.54 crore). All the Banks were requested to furnish the correct progress report.

**(Action : Banks)**

**AGENDA 7.0: SCHEME FOR IMPROVING PRODUCTIVITY AND FARM INCOME**

**OF ARECANUT BASED FARMING SYSTEM IN KARNATAKA**

The DFS: MoF: GoI vide letter No. 10/3/2010-AC dated 13.1.2012 framed the scheme and advised NABARD to implement in coordination with SLBC. As per the information gathered, notices were issued in duplicate to 51694 loanees and 51602 term loans were rescheduled involving Rs 182.73 crore. The amount of penal interest waived was Rs 6.10 crore. As many as 4685 crop loan accounts with an aggregate amount of Rs 31.89 crore was converted into term loans. 980 fresh loans were issued involving an amount of Rs 9.60 crore. SLBC had requested Banks to furnish the latest progress report in the prescribed format.

The ACS & DC, GoK observed the gap between the number of Crop loans converted into Term Loans and the number of fresh crop loans issued. The GM: PSCD: SyndicateBank, presented the latest information on the number of fresh loans granted vis-à-vis, the number of number of loans converted. Fresh Crop loans will be granted wherever required.

**(Action : Banks)**

**AGENDA 8.0 : SETTING UP OF KARNATAKA FARMERS’ RESOURCE CENTRE [KFRC] AT BAGALKOT**

Karnataka Farmers’ Resource Centre [KFRC] is set up at Bagalkot through SLBC with the support of Govt. of Karnataka, NABARD, 10 Banks [Viz., Syndicate Bank, Canara Bank, Corporation Bank, Vijaya Bank, State Bank of India, State Bank of Mysore, State Bank of Hyderabad, Karnataka Vikas Grameena Bank, The Karnataka Bank Ltd and Krishna Grameena Bank] & B.V.V. Sangha, Bagalkot. KFRC is an Apex State Level Institute constituted under Charitable Trust. Any institution / individual making donations / contributions to KFRC, is eligible to claim Income Tax exemptions under section 80G of IT Act. KFRC has conducted 32 training programmes from 1.10.2013 to 19.12.2013 benefiting 1358 participants. The activities include Agri-Clinics / Agri-Business, Food Processing, Dairy Farming, Poultry Farming etc.

The Chief Secretary was requested to issue instruction to the Principal Secretary, RDPR Dept to join KFRC as Trustee in place of PS, DIC since the objectives of KFRC are more relevant to Agriculture and Rural Development.

SLBC vide DO letter dated 31.10.2013 had requested PKGB to join KFRC Trust on account of merger of Krishna Gramin Bank with Pragathi Gramin Bank and also remit the additional Corpus Fund. Now, the Chairman, PKGB and GM, Canara Bank (Sponsor Bank) assured to remit of 50% of the requested Corpus Fund by March 2014 and the balance during the ensuing year.

**(Action : GoK / PKGB)**

**AGENDA 9.0 : REPORT OF THE HIGH LEVEL COMMITTEE TO REVIEW LEAD**

**BANK SCHEME - IMPLEMENTATION OF THE**

**RECOMMENDATIONS**

RBI had advised SLBC to implement the recommendations of the High Level Committee on Lead Bank Scheme. In compliance (1) SLBC, Karnataka has launched its website. SLBC has hosted in their website the salient features of various Govt. sponsored schemes, both central and state which are in operation in Karnataka (2) SLBC has advised Lead banks/Commercial Banks and LDMs to take appropriate steps for implementing the recommendations pertaining to them (3) Formation of Sub-Committees: SLBC has constituted 12 Sub-Committees for effective implementation & close monitoring of Lead Bank scheme.

(4) The following Sub-Committee Meetings were held so far and The Committee-wise recommendations are furnished below:

**(a) Govt. Sponsored Schemes**

* The meeting was held on 19.12.2013 and the Committee advised all the Departments to involve the Bankers in the selection process, take steps to sponsor applications to Banks. Banks should take decision within a month time. Departments were requested to provide bank-wise pending applications during the meeting and assist the Banks for recovery of old loans.
* Bankers have informed that e-tracking method under PMEGP is not being followed fully and lot of problems still exists.
* Good progress has been observed under SGSRY.
* Under Chaitanya Scheme, there was delay in sending the applications to Banks, which has lead to delay in sanctions and disbursements.
* Under Dr B R Ambedkar Dev. Corp. Schemes, the Dept. was requested to send the applications to Banks early. Special Dairy Package Scheme is being implemented in Kolar and Chikkaballapur and Banks were requested to finance dairy units as per the decision of DCC.
* As the performance under Schemes of Minority Dev Corp and ST Dev. Corp is poor, they were advised pursue with Bankers at Dist and Taluka levels for speedy implementation.

**(b) Flow of Credit to Agriculture**

* The meeting was held on 21.12.2013. The Chairman of the Committee informed about the Govt. order on availability of Interest subvention for Cold Storage / Rural Godown, Subsidy to SF/MF for taking up water harvesting & water conservation systems in their farms. Bhoo-Chetana Scheme has been integrated with farming concepts to improve farm yield of SF/ MFs.
* The Govt. has taken a decision to credit the subsidy amount to Bank accounts of farmers to enhance transparency and supports setting up of Custom Hire Centres wherein they will provide Machinery / Equipment worth Rs 10 lakh to each selected entrepreneur / SHG / Good working Society. They need to manage the machinery by custom hiring. They also intend to create a mechanism to prevent price fluctuation by putting in a mechanism of a resourceful person with good knowledge in financial affairs, who will render advisory services to the farmers.
* The Horticulture Dept. has informed that subsidy at 50% of the cost will be provided for setting up of Poly houses.
* The Animal Husbandry Dept. was requested to consult Poultry Federation to fix reasonable insurance premium to cover Poultry Units.

**(c) Steering Committee meeting on R-SETIs**

* The meeting was held on 26.12.2013. The Chairperson informed that the State has bagged the coveted first prize for best functioning of R-SETIs instituted by MoRD, GoI. Out of 33 R-SETIs , 31 are “AA” rated.
* R-SETIs need to train 2 lakh rural youth under Rajiv Chaithanya Scheme.
* The RDPR Dept. addressed letter to all DCs for chairing LAC meetings within one month of closure of the quarter in tune with MoRD, GoI directions.
* The State Monitoring Cell was advised to prepare catalogue of Institutes, Directors & Training activities to facilitate publication in the local dailies to attract more candidates. Utilization of grants by the sponsor Banks was satisfactory in respect of construction of R-SETI buildings and other infrastructures.
* The Chairperson advised those Institutes, wherever the progress was low, to conduct more number of training activities.
* SLBC has supported KSRLPS for conducting orientation training programmes for LDMs, R-SETI Directors and Project Directors (ZP). 2 days Appreciation workshop for PDs and Nodal Officers are to be organised by SMC.

**(Action : Sponsor Banks / SMC)**

**(d) Financial Inclusion**

* The meeting was held on 26.12.2013. The Chairperson observed that the progress in implementation of FIP for unbanked villages with population < 2000 was not satisfactory. Tamil Nadu & Kerala have achieved 93% of the target. GP-wise BCAs are to be appointed for covering all the villages. BCA need to visit on a pre-scheduled time so that banking services are provided in all the villages and to make BCAs viable. Banks having huge backlog in opening of branches in rural areas shall open them on priority. In case of > 2000 population, opening of B & M Branches is to be maintained at 15% and for villages with < 2000 population at 5%.
* Under DBT, Banks have to ensure seeding Aadhaar in all accounts wherever Aadhaar number is available.
* In case of EBT in 7 districts, huge gap was observed in enrollment, opening of accounts and number of smart cards issued to the beneficiaries. The GoK was requested to make payment of smart card charges and turnover commission.
* SBI has organised BCs Convention at Bidar in Feb. 2014. SBM & Karnataka Bank were requested to organise BCs convention.
* GoK was requested to extend required support to ensure that the social security benefits are paid through banking channels / BCAs.

**(Action : Banks / RDPR Dept.)**

**(e) Education Loan**

* The meeting was held on 18.01.2014. The Chairperson observed that the annualized growth rate of education loan for the half year ended Sept 2013 was around 20%, considerable improvement as compared to previous year and advised all Banks to visit all colleges, meet the students, staff and educate them to avail Education Loan. The publicity through print and electronic media is to be given in order to create awareness and extend Education Loans to all the deserving students.
* The Chairperson assured to issue directive for adopting non-discriminatory policy by the Colleges for opening of salary accounts of teaching staff and availing banking facilities from the Banks of their choice, as at present salary is credited only in SBM.
* RUSA (RASHTRIYA UCCHATAR SHIKSHA ABHIYAN) grants amount will be deposited with the bank where colleges are having bank accounts.

The GM, SyndicateBank informed that students are facing difficulties in Income Certificates and requested Canara Bank (Nodal Bank) to release 75% of eligible subsidy amount pending Income Certificate. The ED, Canara Bank informed that they have not received any communication in this regard from GoI. The Chairman-SLBC informed that the issue was discussed during the meeting of Hon’ble Finance Minister with CEOs of PSBs.

**(Action : Banks / Education Dept.)**

**(f) Micro, Small & Medium Enterprises (MSME)**

* The meeting was conducted on 17.12.2013. Some of the MSME Association representative informed that Banks insist for collateral securities despite clear guidelines by RBI for not to take collateral for loans upto Rs 10 lakh. Further, there is delay in sanctioning / renewal of the limits by Banks. Banks were suggested to associate with MSME Associations while conducting awareness programmes. It was also suggested to conduct skill development training programmes for the benefit of first generation entrepreneurs.
* The MSME Associations informed that main reason for default / NPA was due to delayed settlement of dues by the purchasing companies to whom the SME sector supplied their goods. KASSIA has recommended for abolition of trade license.
* The KVIC requested Banks to hasten sanction / release of PMEGP Loans.
* The Review of credit flow to MSME indicates that most of the Banks do not meet the RBI stipulation of 10% increase in outstanding accounts under Micro Enterprises, 20% y-o-y growth and share of 60% of MSE to Micro Enterprises.

All the Banks were requested to take necessary steps for accelerating credit flow.

The Chairmen of RRBs informed that CGTMSE cover is not available to them. The SLBC representative informed that the matter has already been taken up with CGTMSE under intimation to SIDBI for immediate needful action.

**(Action : Banks / SIDBI / GoK)**

**(g) Annual Credit Plan**

* The meeting was held on 26.12.2013.
* Under Crop Loan interest subvention scheme of GoK, the Dept. of Agriculture was requested to extend interest subsidy to Private Sector Banks also on par with GoI. It was also requested to increase the eligible limit to Rs 3 lakh from the existing Rs 1 lakh, on par with GoI and certain percentage of interest subsidy to all the farmers and certain percentage of incentive to those who repay the crop loans promptly on or before due date.
* The Chairperson has suggested for exploring the possibility of establishing second R-SETI in bigger Districts, particularly at Chikodi of Belgaum district.
* As regards conducting impact study on efficacy of KCC and Crop Loan Interest Subvention, the Chairperson suggested the Dept. of Agriculture to become nodal agency & prepare a draft incorporating Terms & References for submitting the same to Karnataka Evaluation Authority (KEA).
* During the current fiscal, 125 Taluks have been declared as drought affected which might affect the credit off take. The concerned LDMs were advised to convene Special DCC meeting to implement rehabilitation measures as per extant RBI guidelines on Natural Calamities.

The ACS & DC, GoK informed that the recent hailstorm has caused devastating effect in some Districts causing 100% crop loss. He requested the GoI and all the stakeholders to contribute their might magnanimously to rescue the affected farmers. As per the NABARD advice, the concerned LDMs were requested to submit quick estimate on the crop loans disbursed particularly during rabi season in affected areas.

**(Action : Banks / concerned LDMs / Dept. of Agriculture)**

**(h) Flow of Credit to SC / ST / Weaker Sections / Minorities**

* The meeting was held on 21.12.2013. The Chairperson explained the salient revised features of schemes being implemented by various Govt. agencies. He said that the subsidy is not the constraint. He desired complete prohibition of manual scavenging by providing alternate employment to them with Bank finance.
* There was suggestion to forward the applications by the nodal agencies at 1 : 2 ratio of the annual target. As the number of applications forwarded being on a higher side, Banks were requested to dispose of all eligible pending applications early. The delay in sanction may be brought to the notice of controlling offices of Banks to take corrective steps.
* The Banks’ representatives suggested the Corporations (Nodal agencies) to educate the borrowers about repayment ethics.
* The implementation of Govt. sponsored schemes shall be monitored at DCC / DLRC meetings by LDMs and the unresolved issues are to be referred to SLBC.

**(Action : Banks / LDMs / Nodal Agencies)**

**(i) Housing Loan**

* The meeting was held on 26.12.13 and the Committee made the following observations.
* Slow movement of Housing Loan to EWS / LIG categories is a cause of concern. The main reason seems to be submission of income certificate by the applicant. If the applicant submits the usual income certificate for BPL eligibility, he/she might not be eligible for Housing Loan as per Banks norms of techno-economic viability. Hence, it was suggested to explore possibility of delegating the discretion of assessing income of the applicant to the Branch Managers, instead of depending on any other outside agencies.
* The data on Housing finance extended to EWS/LIG category of borrowers is not available with banks. The banks were requested to submit such data in the quarterly SLBC feedback report in separate columns (on page 3) for detailed deliberation during Sub-Committee meetings.

The Principal Secretary, Housing, GoK informed that Housing Loans for affluent people is not a problem. He requested the Banks to be proactive in extending finance to EWS / LIG beneficiaries. There is acute shortage of housing in Urban areas. He said that KVGB has extended Housing loans in some cases based on the income assessed by the Branch Managers. The ED, SyndicateBank informed that repayment schedule will be fixed based on the income certificate and a via media can be found out to resolve the issue.

**(Action : Banks / Housing Dept. GoK )**

The Convenors of Sub-committee meeting of (1) SHG-Bank Linkage (2) Credit Deposit Ratio were requested to forward the approved minutes, whereas SBI, the Convenor of Sub-committee Meeting on Recovery & Rehabilitation was requested to convene the meeting at an early date by consulting the Principal Secretary, Revenue Dept., GoK., the Chairperson of the Sub-committee.

**(Action : Canara Bank / Syndicate Bank / SBI / Revenue Dept., GoK)**

**AGENDA 10.0 : REVIEW OF BANKING STATISTICS AS OF DECEMBER 2013**

The Bank-wise position as of December 2013 was reviewed in respect of Branch Network, Deposit, Advances, CD Ratio, etc.

**BRANCH NETWORK:**

As at the end of December 2013, the total numbers of bank branches in the State were **8986,** out of which, Commercial Banks-**6549**, RRBs-**1496**, KASCARD-**201,** DCC Bank-**670,** Karnataka Industrial Coop. Bank-**38** and KSFC- **32** Branches.

**ATM :** There were **10252** ATMs in the State, out of which, **1146** were in rural, **1817 we**re in S. Urban, **2509 we**re in Urban and **4780 we**re in Metro areas.

##### DEPOSITS:

The aggregate deposits of Banks was ` **492319 crore** as at the end of Dec. 2013, when compared to the level of ` **427003** **crore** as on Dec. 2012, registering an increase of ` **65316 Crore** showing a growth rate of **15.30%.**

**ADVANCES:**

The total outstanding Advances of Banks was ` **372112 Crore** as at the end of Dec. 2013ascompared to the level of ` **320195 Crore** as at Dec. 2012, registering an increase of ` **51917 Crore** showing a growth rate of **16.21%**.

**CREDIT-DEPOSIT RATIO:**

The Credit Deposit Ratio as of Dec. 2013 was **75.58%** vis-à-vis **74.99%** as of Dec. 2012 showing a marginal increase**.** The CD ratio was the highest at **102%** in Rural areas as compared to **76%** in Semi-Urban, **69%** in Urban and **74%** in Metro areas.

Further analysis indicated that some Banks with good presence were having CD ratio below the bench mark level of 60%. [BOB-49% & Karnataka Bank-44%]. Banks which were having CD Ratio below 60% and also below State average were requested to take necessary steps to increase flow of credit to productive sectors of the economy.

All Banks were requested to improve their CD Ratio by accelerating lending to various sectors, having potential for growth in the State and contribute towards economic development.

The representative of Karnataka Bank informed that their Base Rate is higher as compared to PSBs and 61% Branches are in rural areas. The BOB representative informed that their CD Ratio is low on account of bulk deposits. However, they have assured to improve the CD Ratio.

**(Action : Karnataka Bank / BOB)**

**PRIORITY SECTOR ADVANCES:**

The outstanding level of total priority sector advances of Banks stood at ` **149397 Crore** as of Dec. 2013 as against` **128558 Crore** as at Dec. 2012 showing an increase of ` **20839 Crore** recording a **growth of 16.21%.** The percentage of priority sector advances of Banks worked out to **40.15%** surpassing the Benchmark level of 40% as stipulated by RBI.

The total **agricultural advances** as at Dec. 2013 were to the tune of ` **71150 Crore** constituting **19.12%** of the total advances of Banks against mandatory level of 18%. Out of which direct advances to agriculture stood at ` **58171 Crore forming 15.63%** of total advances as against the bench mark level of **13.5**%.

The outstanding Advances to Weaker Sections by Banks was ` **51310 Crore** constituting **13.79%** of the total Advances with an increase of ` **11565** crore over the corresponding previous year level. The outstanding advances to Small & Marginal farmers was to the tune of ` **34903 Crore** covering about **45.05 lakh** accounts, constituting **49.06%** of the total Advances to Agriculture and **60%** of Direct Agriculture credit. The outstanding advances to SCs/STs were` **9611 crore** constituting **2.58%** of the total advances.

The position of Priority Sector and Weaker Section Advances as at Dec. 2013 was presented to the House.

**HOUSING LOANS AND REVERSE MORTGAGE LOAN SCHEME**

The Banks have been financing construction of houses under different schemes to encourage housing sector and to increase the availability of residential houses to the needy people. The outstanding level of advances under Housing as at Dec. 2013 stood at ` **30912** crore covering **440826** accounts. During the first nine months, the Banks have disbursed ` **3650** crore involving **61184** accounts.

Public Sector Banks have formulated Reverse Mortgage Loan Scheme for the benefit of the Senior Citizens. The Banks assisted 901 persons with a loan amount of ` **71** crore as at Dec. 2013. Bank-wise position of Housing Loans and Reverse Mortgage loans was presented to the House.

Under Golden Jubilee Rural Housing Scheme (GJRHS), Banks have sanctioned 3693 loans with credit limit of ` 157.85 crore upto Dec. 2013. The outstanding level was`932.79 crore spread over 26425 a/cs. Under other categories, 177 loans with loan amount of ` 0.95 crore have been sanctioned and the outstanding amount was ` 13.68 crore (2578 a/cs).

One day workshop on Housing Finance Schemes was conducted for all LDMs on 17.1.2014 with a special focus on Rajiv Rinn Yojana (RRY), modified version of erstwhile ISHUP scheme. The DMA was requested to furnish district wise targets under RRY so as to communicate the same to LDMs for bank/ branch wise allocation.

All the Banks were requested to step up credit flow to Housing Sector with a special focus on EWS / LIG.

**(Action : DMA / Banks )**

**EDUCATION LOANS**

With a view to provide financial assistance to deserving and meritorious students to pursue higher studies, Banks have formulated education loan scheme as per IBA guidelines. As at Dec-2013, the outstanding level of education loans stood at **Rs. 4642** crore covering **223357** accounts. Banks have disbursed loans to **52864** students amounting to Rs. **713** crore up to the end of Dec-2013. Consolidated position under Education loan was presented to the House.

As directed by DFS: MoF: GoI, in their letter dated 21.5.2013, SLBC has informed all the Banks to gear-up the flow of credit to Education Sector. The GoI advised SLBC to allocate the targets so as to improve the level of outstanding loans under Education from **Rs. 4263.43 cr** as on 31.3.2013 to Rs. **5116.12 cr (258341 accounts)** by 31.3.2014. The GoI have also directed SLBC to allocate target of 20% growth in number of accounts and also 20% growth in amount outstanding since in our State, the % growth during the last fiscal (2012-13) was less than 10% in number of accounts and 20% in loan amount outstanding. Based on the outstanding accounts as of March 2013, all Banks were allocated target under Education Loan for the year 2013-14 (as at March 2014) vide SLBC letter No. 521 dated 23.5.2013. All Banks were requested to take steps to achieve the targets.

In tune with DFS: MoF: GoI instructions, SLBC has been collecting monthly progress report from member banks for close monitoring.

**(Action : Banks)**

**CREDIT FLOW TO MICRO, SMALL & MEDIUM ENTERPRISES [MSME] – DEC-2013**

As per the guidelines issued by GoI/RBI, the Banks have taken steps for increasing the flow of credit to Micro, Small & Medium Enterprises. The outstanding level of credit to Micro Enterprises stood at Rs. **19281 Crore.** The advances to Small Enterprises were at the order of Rs. **24451 Crore.** The advances toMedium Enterprises stood at Rs. **9779 Crore** as at Dec-2013. The percentage of advances to Micro & Small Enterprises [Rs. **43732 Crore**] was at the order of **81.73%** out of the total advances to MSME Sector [Rs. **53511** **Crore**].

The sector-wise / Bank-wise details were presented to the House.

The Reserve Bank of India has been regularly conducting the meeting of the Empowered Committee on MSME and Meeting of State Level Inter Institutional Committee (SLIIC) for Karnataka, every quarter to review the implementation of the recommendations of the working group on rehabilitation of sick MSMEs, flow of credit to MSE sector, collateral free loans to MSEs, flow of credit to MSME clusters and conducting awareness programmes and entrepreneurial camps-CGTMSE etc. RBI is calling for the information on the above issues. Banks were requested to submit the compliance report to them every quarter before 15th of succeeding month from end of the quarter.

As per the instruction of Central Office, RBI, RO, Bangalore has constituted a High Level Committee under the ambit of Empowered Committee on MSME to give focused attention on the progress made by Banks in the region on restructuring/ rehabilitation of sick units in the MSE sector. The HLC composition was informed to the House.

The functions of the HLC are:

1. HLC will effectively monitor the timely rehabilitation and restructuring of sick micro and small enterprises.
2. Ascertain from the bankers whether they have any restructuring mechanism in place for micro and small units akin to Corporate Debt Restructuring (CDR) mechanism for large units.
3. Monitor the rehabilitation of Sick Micro and Small Enterprises (MSEs) as envisaged in RBI CO cir. RPCD. CO. MSME & NFS. BC. No. 40/ 06.02.31/ 2012-13 dated November 01, 2012.
4. Monitor the functioning of MSE Rehabilitation Cell (MRC) in their jurisdiction by banks as mentioned in CO Circular RPCD MSME & NFS. BC. No. 74 / 06.02.31/ 2012-13 dated May 09, 2013.
5. In the above Circular, banks were advised to monitor the progress in rehabilitation of sick MSE Units on a quarterly basis in the prescribed format and to place the same on their website. The data hosted by banks may be used while reviewing the progress in this regard.

The first meeting was held on February 6, 2014. RBI is planning to conduct 2 / 3 Town Hall meetings in a year in coordination with District Industries Centres in order to discuss the problems faced by the entrepreneurs. They have advised the Banks to participate in such meetings in order to have regular interface with the public and MSE entrepreneurs.

The Dept of Industries and Commerce, GoK has informed that they have a committee for rehabilitation of sick units at State Govt level and the details of sick units may be referred to the committee for review. The copies of relevant Govt. orders and circulars were circulated to all the banks and Industrial Associations for needful action by SLBC.

**(Action : Banks)**

**COVERAGE UNDER CREDIT GUARANTEE SCHEME OF CREDIT GUARANTEE FUND TRUST FOR MICRO & SMALL ENTERPRISES [CGTMSE]**

Under guarantee scheme of CGTMSE, Banks have covered **22530** units with an approved amount of **Rs. 1153 crore** during the year upto Dec 2013 and cumulative progress was **108674** units amounting to Rs. **5435** crore [Source: Credit Guarantee Fund Trust for Micro & Small Enterprises]. As requested by RRBs, SLBC has already requested CGTMSE to enroll RRBs also under guarantee cover **under intimation to SIDBI**.

**(Action : CGTMSE / SIDBI)**

**AGENDA 11. 0 : IMPLEMENTATION OF ANNUAL CREDIT PLAN (2013-14)**

The progress in disbursement under Annual Credit Plan for the first 9 months with Bank-wise position was presented to the House.

The Banks have disbursed ` 51534 cr under Annual Credit Plan vis-à-vis the annual target of ` 73362 cr., thereby accounting for 70.25% achievement. Under Agriculture, ` 30609 cr was disbursed as against the set annual target of ` 44545 cr., thereby recording 68.71% achievement. Under Crop Production, the disbursement was ` 22377 cr., as against the annual targeted level of ` 27112 cr., registering 82.54% achievement.

The GoK has notified totally 125 Taluks as drought hit during the current fiscal. The details have already been circulated to all the Bank and LDMs for needful action.

**AGENDA 12.0 : CENTRAL AND STATE SPONSORED SCHEMES**

**AGENDA 12.1: PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME**

**[PMEGP]**

Khadi & Village Industries Commission [KVIC] is the nodal agency for implementing Rural Employment Generation Programme [REGP] of GOI, Ministry of Micro, Small & Medium Enterprises [MSME]. KVIC Mumbai has advised that while implementing the programme, the nodal agencies/blocks have to ensure coverage of social category beneficiaries such as SC-15%, ST –7.5%, OBC-27%, Minorities-5%, Ex Serviceman-1%, PHC –3%, Women-30% (overall).

The progress under PMEGP as on 21.2.2014 was presented to the House.

Earlier, the Joint Director, DIC at District level was empowered to issue Recovery Certificates in case of NPA / Overdue Loans under PMRY Scheme in terms of extant provisions of KPMR Act. SLBC had received representations from financing Banks / LDMs to take up the issue with Dept. of Industries & Commerce, GoK to authorize the Joint Directors at District level to issue Recovery Certificates under KPMR Act to the irregular loans extended under PMEGP also on par with erstwhile PMRY scheme.

It is very much heartening to note that the Dept of Industries & Commerce, GoK vide their order No. CI 199 CSC 2013 dated 13.12.2013 have authorized the Joint Directors to issue Recovery Certificates under Karnataka Public Money (Recovery of Dues) Act, 1979, under Section 3 (1) (i) as it is declared as Socially Desirable Scheme.

**Permission for adjustment of Margin Money under PMEGP after completion of lock-in period**

SLBC had received representations from LDMs / Banks that KVIB is insisting for nearly 10 documents from the Branches like Nodal Agency Recommendation letter, Loan sanction letter, Release of Term Loan, Working Capital, Term Deposit Receipt, Caste Certificate, Beneficiaries down payment details, Bills / Invoices for purchase of Machineries / Equipments, 3 years Progress Report of the Unit, etc. to accord permission for adjustment of Margin Money after completion of lock-in-period, which is cumbersome.

SLBC vide letter No. 1013 dated 4.12.2013 informed KVIC that Branches will be conducting regular follow-up visits of the Units on quarterly / half-yearly basis. The third party engaged by KVIC is also conducting verification / evaluation of units. In view of the foregoing, KVIC was requested to permit the Branch Managers to adjust the Margin Money kept in Subsidy Reserve Fund to the loan accounts after completion of lock-in period, subject to confirmation of functioning of Unit by Branch Head. In reply, KVIC has informed that the verification is as per the guidelines of Ministry of MSME, GoI.

KVIC was once again requested to revisit the guidelines and recommend the same to GoI to explore the possibility of modification to simplify the procedure for adjustment of margin money immediately after the completion of lock-in-period.

The State Director, KVIC informed that Banks can sanction loans upto 31.3.2014 and disbursements can be made during April / May 2014. There is no dearth for margin money. The ACS & DC, GoK suggested that the balance applications can be carried over to the ensuing year for consideration. As regards permission to adjust the margin money, he suggested KVIC / KVIB / DIC to obtain the required **documents / papers during the visit of 3rd party visit itself to accord permission well in advance**. SLBC may address a letter to KVIC in this regard.

**(Action : KVIC / KVIB / DIC / Banks / SLBC)**

**AGENDA 12.2 : NATIONAL RURAL LIVELIHOOD MISSION (NRLM)**

The GoI has restructured SGSY as National Rural Livelihood Mission (NRLM)-Ajeevika and in Karnataka it is called ‘Sanjeevini’. RBI: CO has issued detailed operational guidelines vide Circular dated 27.6.2013 and Banks are required to submit quarterly progress report to RBI/ NABARD.

RBI: CO: Mumbai vide their Cir. RPCD. GSSD.CO. BC. No. 57/09.01.03/2013-14 dated 19.11.2013 has informed the details of guidelines for operationalisation of Interest Subvention Scheme for SHG for Public Sector Banks. Banks were requested to follow the guidelines scrupulously.

SLBC has been supporting Karnataka State Rural Livelihood Promotion Society (KSRLPS) in organizing orientation training programme to the Executives/ LDMs/ R-SETI Directors as part of capacity building programme under NRLM.

The proceedings of the GoK dated 11.11.2013 on SHG-Bank Credit Linkage in 26 districts (category II) have already been circulated to the banks in respect of eligibility of all NRLM compliant women SHGs for interest subvention scheme.

The KSRLPS has observed that the pace of credit linkage of SHGs is slow during the year. The per SHG credit is also low at Rs 1.25 lakh against target of Rs 2.75 lakh. All SHGs are to be brought under CBS and reported to KSRLM for creating data base and disbursement of subsidy amount.

Rs 68.49 crore is available for payment of interest subsidy to loans given at 7% ROI. State Govt. is providing Rs 29.35 crore for additional 3% interest subvention for prompt repayment of loans by SHGs in 26 districts (category-II)

Canara Bank is nodal Bank for disbursement of subsidy to SHGs through NEFT. KSRLP has disbursed interest subsidy of Rs 3.26 crore to 8353 SHGs so far. State Cooperative Apex Bank Ltd has to provide list of all Coop Banks and Branches to KSRLP for implementation of interest subvention scheme. Some Banks are yet to submit the required data to SERP, Hyderabad. The details of non-participating Branches are to be submitted to NABARD.

The NABARD has requested that under Women Self-Help Group Scheme (WSHG), Banks shall not levy additional 5% service charges. This charge is payable to anchor NGO for giving handholding support to WSHGs (Chitradurga & Gulbarga Districts) and may be claimed separately from KSRLPS. Wherever, SHGs have been charged with additional 5% charges during 2013-14, those SHGs to be reimbursed the same at the earliest and the amount is to be claimed from KSRLPS.

RAJIV GANDHI CHAITANYA YOJANA (RGCY): The Scheme is effective 01.01.2014. About one lakh Rural Youth will be trained to take up self-employment and another one lakh will be trained for skill development. Rs. 10,000 is available as subsidy per member subject to the limit of Rs 50,000 per JLG.

**(Action : Banks)**

**AGENDA 12.3 : SWARNAJAYANTI SHAHARI ROZGAR YOJANA (SJSRY) – 2013-14**

Banks have sanctioned 3557 loans with credit limit of Rs. 36.06 cr and subsidy amount of Rs. 12.88 cr under USEP. Banks have also sanctioned loans to 79 groups (1598 members) with credit limit of Rs. 4.35 cr and subsidy amount of Rs. 2.42 cr. under UWSP.

All the Banks were requested to achieve the set goal of extending loans 5788 individuals under USEP and 295 groups under USWP.

**(Action: Banks)**

**AGENDA 12.4 & 12.5 : SCHEMES OF Dr. B. R. AMBEDKAR DEV. CORP. LTD &**

**KARNATAKA S.T. DEV. CORP. LTD.**

Both the Corporations are implementing 2 schemes, viz., Self-Employment Scheme and Industry, Services & Business (ISB) Scheme for the benefit of persons belonging to Scheduled Caste / Tribes. The progress under SEP & ISB as of Dec. 2013 / Jan. 2014 was presented to the House.

**AGENDA 12.6 : SCHEME OF KARNATAKA MINORITIES DEVELOPMENT**

**CORPORATION Ltd**

The Corporation is implementing the Swavalambanascheme. The District-wise targets and Progress as at Dec. 2013 were presented to the House.

**AGENDA 12.7 : SCHEME OF D. DEVARAJ URS BACKWARD CLASSES**

**DEV. CORP. LTD.**

D Devaraj Urs Backward Classes Development Corporation Ltd. is implementing **CHAITANYA** Subsidy cum Soft Loan Scheme. The progress as of Dec. 2013 was presented to the House.

**AGENDA 13.0 : SPECIAL FOCUS PROGRAMMES**

**AGENDA 13.1 : CREDIT FLOW TO MINORITY COMMUNITIES**

The Banks have extended loans to **209990** beneficiaries amounting to ` **2796 Crore** during the first 9 months. The outstanding level of advances to Minority Communities as at the end of Dec. 2013 was ` **15668 crore** spread over 921009 accounts constituting **10.49%** of PSA. Bank-wise details of credit disbursement and outstanding upto Dec. 2013 were presented to the House.

**FLOW OF CREDIT TO MINORITY COMMUNITIES IN IDENTIFIED DISTRICTS**

The outstanding level of credit to minority communities in the identified districts, viz., Bidar, Gulbarga & Dakshina Kannada as at Dec. 2013 were presented to the House.

The flow of credit to minority communities in all the three districts has increased and achieved the stipulated target of 15% of priority sector advances.

**AGENDA 13.2 : CREDIT FLOW TO WOMEN**

Banks have disbursed ` **5922 cr** to **568051** Women Beneficiaries upto Dec. 2013. The outstanding level of Advances to Women Beneficiaries was ` **25342 cr** as of Dec. 2013 constituting **6.81%** oftotalof advances vis-à-vis stipulated target of 5%. The Bank-wise details were presented to the House.

**AGENDA 13.3 : KISAN CREDIT CARD**

The Banks have issued **869928 KCC Cards** upto Dec. 2013 with credit limit of ` **10461 cr.**  Agency-wise / Bank-wise number of Cards issued was presented to the House.

**AGENDA 14.0 SELF HELP GROUPS / JOINT LIABILITY GROUPS**

Progress under SHG Bank Linkage as at Dec. 2013 was presented to the House.

Commercial Banks have directly credit linked 67231 SHGs with an amount of ` 909 cr and indirectly 725 groups with a limit of ` 53 cr. RRBs could credit link 11951 groups with an amount of ` 205 cr and Co-op. Banks have credit linked 23977 groups with a limit of ` 349 cr upto Dec. 2013.

For the year 2013-14 NABARD has set the following targets:-

1. Formation and savings linkage of 25,000 SHGs.
2. Credit linkage of 1,50,000 SHGs. (Target for Com. Banks-60000, RRBs – 40000 & Cooperative – 50000 Groups).
3. Average loan size per SHG to be at Rs. 2.75 lakhs.
4. Credit linkage of 10,000 JLGs.

Regarding assessment of Bank Finance-SHG-BLP and JLGs, NABARD has formed simpler norms and circulated to Banks. Banks may either use the norms suggested or develop suitable norms with necessary amendments for use by the financing units. DFS, MoF, GoI had advised CMDs of all PSBs that banks may incorporate the relevant fields in the CBS. NABARD had also advised all Banks to submit SHG-Bank Linkage data on monthly basis by incorporating fields in CBS of Banks.

All the Banks were requested to achieve the set goal and LDMs to monitor the progress.

**(Action : Banks / LDMs )**

**AGENDA15.0 : LENDING THROUGH MFIs**

Association of Karnataka Micro-Finance Institutions (AKMI) is overseeing the working of various (24) MFIs. It has informed that the loan outstanding given by various MFIs in Karnataka as on Dec 2013 was Rs. 5007.66 cr covering 43,38,842 accounts. Out of which, overdue is only Rs. 69.04 crore spread over 90892 accounts. MFI wise outstanding and Overdues as on Dec 2013 were presented to the House.

**AGENDA 16.0 : STREE SHAKTI PROGRAMME**

The progress under Stree Shakti Programme as furnished by the Women & Child Development Department, Govt. of Karnataka, for Jan. 2014 was presented to the House.

**AGENDA 17.0 : UDYOGINI SCHEME OF KARNATAKA STATE WOMEN’S**

**DEVELOPMENT CORPORATION [KSWDC]**

Karnataka State Women’s Development Corporation, the Nodal agency for Udyogini scheme has informed that Banks have extended loans to 5326 beneficiaries as against the annual target of 10500 upto 25.1.2014.

**AGENDA 18.0 : IMPLEMENTATION OF SPECIAL SCHEMES**

**A] Agri-Clinics / Agri-Business**

As per the information received from Banks, the outstanding under Agri-clinics/Agri-Business as of Dec. 2013 was for 2425 Clinics (` **177.41 cr**) & **606** Agri-Business units (` **13.60 cr**). Up to Dec. 2013, Banks have financed 35 Agri-Business Centres (` 453 lacs). Banks were requested to monitor the implementation of the scheme at the ground level and ensure sanction of the proposals received on merits and submit subsidy claims to NABARD in respect of eligible proposals. Banks were requested to take advantage of Capital Subsidy available to the scheme.

The DFS: MoF:GoI had advised all the Banks to sanction loans to trained candidates for establishing agri-ventures under the scheme as the Ministry of Agriculture, GoI has observed huge pendency of applications.

**(Action : Banks)**

**B] Rural Godowns**

The Banks have financed 150 Rural Godowns with credit limit of ` 34.55 cr up to Dec. 2013. The outstanding amount was ` 368.59 cr comprising 2894 accounts. The GoK has also announced Interest Subvention Scheme to the Rural Godowns and Cold Storage in the Budget. SLBC has sought certain clarifications on the rate of interest to be subvented, applicability of the scheme to existing Godown Loans or only to the loan sanctioned after 1.4.2013 and applicability of the scheme for the godowns financed by Private Sector Banks.

**(Dept. of Agriculture, GoK)**

**C] Implementation of National Horticulture Board [NHB] Subsidy Scheme**

During the year 2013-14 till date, NHB has released subsidy in respect of **314** proposals under the scheme amounting to ` **2082** lakhs.

NHB has informed that they have revised operational guidelines of the scheme vide their letter No. NHB/ CC/ Revised Guidelines/ 2013-14/ 8801/ 895 dated 9/12-12-2013. The details are available on the website: www.nhb.gov.in.

**(Action : Banks)**

**D] Implementation of Differential Rate of Interest (DRI) schemes**

Banks have financed **36338** beneficiaries amounting to ` **6682 lakhs** constituting **0.02%** of total advances of scheduled commercial banks. PSBs were requested to lend upto ` **20,000/-**  under Indira Awas Yojana (IAY). All the Banks were requested to increase credit flow under DRI scheme as per RBI guidelines, so as to reach 1% of the total credit.

**(Action : Banks)**

**AGENDA 19.0 : RECOVERY**

**AGENDA 19.1 : RECOVERY OF BANK DUES UNDER GOVT SPONSORED**

**SCHEMES**

The summary of scheme-wise NPA position as at Dec. 2013 was presented to the House in respect of PMEGP, SGSY & SJSRY.

Nodal agencies [DIC, RDPRD / Zilla Panchayat, KVIC / KVIB & ULB (municipalities)] were requested to extend assistance to Banks for recovery of overdues in co-ordination with Banks.

**(Action : Nodal Agencies)**

**AGENDA 19.2 : NON-PERFORMING ASSETS POSITION**

There were **744110** NPA a/cs involving an amount of ` **19265 cr** as of Dec. 2013, accounting for **5.18%** of total advances. The Farm sector accounted for **334809 a**/cs, with a balance of ` **4754 cr** constituting **6.68%** of advances to agriculture**.**  Bank wise details were presented to the House.

The Chairman-SLBC requested the State Administration to assist the Banks in recovery of dues since NPA is a major cause of concern.

**(Action : GoK)**

**AGENDA 19.3 : RECOVERY UNDER SARFAESI / DRT / LOKADALAT**

Banks have recovered ` **792** cr against amount involved ` **2957** cr under **SARFAESI Act,** ` **249 cr** against amount involved ` **1175** cr under **DRT** and ` **6.93** crore against amount involved ` **90** cr through **Lok Adalat** up to Dec. 2013.

BOI has suggested for setting up one more DRT in the State owing to huge pendency and SBM suggested for posting Asst. Registrar, Recovery Officer / Assistant to the existing DRT.

**(Action : DFS, MoF, GoI)**

**AGENDA 19.4 : RECOVERY UNDER KPMR & KACOMP ACTS**

As of Dec. 2013, **23712** cases filed by Banks under RR Act were pending before Revenue Authorities involving an amount of ` **172 cr**. The Banks have filed **937** applications up to Dec. 2013 involving loan amount of ` **2.90 cr.** There were **2960** cases pending for more than 3 years for recovery under RR Acts. Bank-wise details were presented to the House.

**AGENDA 20.0 : BANKERS’ MEETING CONVENED BY THE COMMISSIONER,**

**TRANSPORT DEPT., GOK - FINANCING AUTO RICKSHAWS**

**IN BANGALORE METRO**

A meeting of the Bankers and Office bearers of Auto Drivers’ Cooperative Societies was convened by the Commissioner for Transport, Bangalore, GOK on 17.09.2013 to deliberate on financing Autorickshaws in Bangalore Metro area.

During the meeting, Bank-wise status of credit exposure to Auto segment and overdue / NPA position was reviewed. The Office bearers of the Societies assured to help recovery of auto loans in Bangalore Metro. The Transport Commissioner informed that a subsidy amount of ` 15,000/- is available per Auto for converting from 2 Stroke to 4 Stroke Engine. The Office bearers informed that a representation has already been submitted to GoK for enhancing the eligible subsidy amount from ` 15,000/- to ` 30,000/-. The Convenor-SLBC requested the Transport Commissioner to inform the guidelines of the scheme and also the physical target during the current fiscal based on the budget available for subsidy purpose.

**(Action : Transport Dept., GoK)**

**AGENDA 21.0 : RURAL SELF-EMPLOYMENT TRAINING INSTITUTES**

At present, 33 R-SETIs / RUDSETIs, sponsored by major banks are actively functioning in the State. Out of the above, 29 institutes have secured “AA” rating. R-SETIs are functioning in tandem with guidelines issued by MoRD, GoI. The institutes are purely service oriented. Whenever nodal agencies of Line Depts sponsor the candidates for training under their schemes, the institutes are getting reimbursement of training cost. Of late, it is given to understand that the statutory auditors are advising the institutes that the reimbursement of training cost attracts service tax @ 12.36%.

SLBC had requested the Principal Secretary, RDPR Dept to take up the matter with the concerned Dept in the capacity of Chairman of State Level Steering Committee on R-SETIs and exempt the R-SETIs from the purview of Service Tax net.

**(Action: RDPR Dept., GoK)**

**AGENDA 22.0 : USE OF KANNADA LANGUAGE IN BANKING SERVICES**

Since Kannada is the Administrative language in Karnataka, the Government desires to take firm steps for implementing Kannada in all official activities. It is observed that the banks, while preparing Challans, Pass Books, Loan applications, account opening forms, fixed deposit certificates are not practicing the compulsory *Tribhasha Sutra*, three-language policy. Hence, the facilities provided by the Nationalized banks and local banks are not reaching the rural masses. It is the ambition of the State Govt to encourage use of Kannada in the day to day banking activities. It is also necessary to ensure that employment opportunities are expanded for persons knowing Kannada.

In view of the foregoing, SLBC vide letter NO.994 dated 28.11.2013 had requested member Banks to confirm immediately the availability of (1) Challan / Receipt (2) Passbook (3) Loan Applications (4) Account opening form (5) Fixed Deposit Certificate, etc., in tri-lingual form in the State.

So far, only SBM & Karnataka Bank have confirmed the use of Kannada and other Banks are requested to do the needful on priority.

**(Action : Other Banks)**

**AGENDA : LEAD BANK SCHEME- STRENGTHENING & MONITORING**

**INFORMATION SYSTEM (LBS-MIS)**

RBI vide their Cir No. RBI/ 2012-13/ 450 RPCD. CO. LBS. BC. No. 68/ 02.01.001/ 2012-13 dated March 19, 2013 has modified the statement for ACP target as LBS-MIS-I, statement for disbursement and outstanding - LBS-MIS-II, III. Similarly, statement for Financial Inclusion Plan (FIP) renamed as LBS-MIS-IV and LBS-MIS-V. These statements are to be submitted on quarterly basis commencing from June 2013. SLBC had advised all Banks to submit the above statements as per the periodicity of submission. The consolidated statements of LBS-MIS-II, IV, V for the State as a whole, as on Dec 2013 were presented to the House.

RBI has informed that as Canara Bank is the Lead Bank of Bangalore Urban District, the responsibility of Lead Bank for Bangalore Metropolitan Area also would rest with Canara Bank. They may make necessary arrangements for implementation of Lead Bank Scheme in Bangalore Metropolitan Area.

**(Action : Canara Bank)**

**ADDITIONAL AGENDA 1: INVESTMENT OF SURPLUS FUNDS OF PSES IN BANKS**

It is given to understand that Department of Public Sector Enterprises had issued a Circular bearing the No.DPE.30.ARU.2010 dated 19.6.2012 detailing the guidelines on investment of surplus funds by PSEs in Commercial Banks / RRBs. The Circular envisages that PSEs need to park their surplus funds in scheduled Commercial Banks / RRBs who fulfill the following financial indicators.

1. Net worth of Rs. 500 crore (For RRBs Rs. 100 crore)
2. Profitability track record for the last 3 years
3. Capital Adequacy Ratio of minimum 10%
4. Net NPA level less than 2%
5. Participation in the developmental programme of Govt.

PKGB informed that Urban Development Dept., GoK has advised Urban Local Bodies and their District Offices to keep the surplus funds only in Nationalised Banks. SLBC vide letter No. 92 dated 8.2.2014 request the Dept to amend / revise NPA stipulation to 8% instead of the present 2% so as to facilitate PSEs to park their surplus funds in the Banks including RRBs who actually participate in all developmental programmes partnering with State administration. Further, SLBC vide letter No.117 dated 21.2.2014 has forwarded the joint memorandum submitted by Chairmen of all the three RRBs to the Chief Secretary, GoK requesting for early favourable decision.

The ACS & DC had assured to look into the matter and do the needful.

**(Action : Finance Dept. GoK)**

**ADDITIONAL AGENDA 2: PROBLEMS OF KARNATAKA SPONGE IRON**

**MANUFACTURERS ASSOCIATION, BELLARY**

The Karnataka Sponge Iron Manufacturers Association, Bellary has represented to the Commissioner of Industrial Development & Director of Industries and Commerce, Bangalore that they are facing severe problems since 2006. Because of non availability of sufficient iron ore, most of the sponge iron industries have stopped their production activities. These sponge iron industries have availed huge loans from various commercial banks & financial institutions and the accounts have become NPA. The Association has requested through the Director of Industries and Commerce to recommend to RBI / Regulatory bodies for rescheduling of loans, extending moratorium period, lowering the rate of interest and extending additional finance for these industries.

The ACS & DC, GoK informed that 35 Mining Companies have commenced work and requested the bankers to take up the viability study. The ED, Canara Bank suggested for seeking Special Dispensation facility from RBI.

**(Action : Banks / SLBC /RBI)**

**ADDITIONAL AGENDA 3: SCHEME FOR EXTENDING FINANCIAL ASSISTANCE TO**

**SUGAR UNDERTAKINGS, 2014 (SEFASU)**

The Secretary, DFS, MoF, GoI had convened a meeting of CEOs of select PSBs on 7.2.2014 to deliberate on the Operational Guidelines issued by them. The minutes of the meeting were circulated vide SLBC letter No. 102 dated 14.2.2014. The scheme has been formulated by Govt. of India for clearance of cane price arrears of previous sugar seasons and timely settlement of cane price of current sugar season to the Fair & Remunerative Price (FRP) fixed by the Central Government to the sugarcane farmers. The loan is repayable in 5 years with 2 years moratorium. The scheme also provides for interest subvention. The Individual Banks have already submitted the required information to GoI. The concerned Banks were advised to process all the applications well before 28.2.2014 and inform the status to DFS: MoF: GoI.

**(Action : Banks)**

**ADDITIONAL AGENDA 4: DEVISING A LOAN PRODUCT FOR FUNDING**

**AGRI COMMODITIES THROUGH E-PLEDGE MECHANISM-**

**RASHTRIYA E-MARKET SERVICES PVT. LTD. (REMS)**

In the meeting convened on 17.2.14 with major Banks by ACS & DC, GoK suggested to explore the possibility of devising a loan product for extending finance to Agri Commodities through e-Pledge mechanism. In compliance, the Core Committee of Bankers designed product as under:

**Pledge Loans to farmers for agriculture produce:**

* Warehousing (Development and Regulation) Act, 2007 was enacted by Govt. of India for development and regulation of warehouses besides establishing a Negotiable Warehouse Receipt (NWR) system to promote lending by Banks to benefit the farmers and improve the liquidity in rural areas.
* The GoK intends to promote e-Pledge mechanism through establishing “Rashtriya e-Market Services Pvt. Ltd.” (REMS), a Special Purpose Vehicle.
* The primary objective of the e-Pledge scheme is to enable farmers to avail loans from Banks against the commodities deposited as collateral at approved warehouses. This facility will increase the holding power of the farmers and prevent distress selling during post-harvest glut.
* The details regarding eligibility, quantum of loan, margin, rate of interest, repayment period, insurance, security aspects, etc., were presented to the House.

**Suggestions for fine tuning the Scheme:**

* Warehouse rating is to be carried out and the list of warehouses / cold storages approved with their ratings to be made available in the website for enabling the Bankers to browse / view and decide about lending.
* A system of black listing the warehouses, if involved in frauds, may be introduced.
* Digital signature is to be provided for a Nodal Officer nominated by each Bank and such digital signature is to be registered with REMS. The Nodal Officer in turn shall provide digital signatures to Branch Managers or Officers interacting / operating in e-pledge. This is required from the security angle.
* REMS to develop the web portal for creating lien of the Banker on the goods pledged. The e-Warehouse Receipt shall be available for the purpose of financing. This will do away with bogus Warehouse receipts & facilitate lien marking.

As regards Traders’ Finance under e-Pledge Mechanism, the Committee opined that as it is coming under Essential Commodities Act and an element of Speculation / Hoarding is involved, individual Banks need to devise their own policy depending upon their risk appetite and present exposure to trading.

The Chairman-SLBC requested the Bankers to make use of the Scheme to accelerate credit flow to agriculture and improve the farmers’ share in consumer price.

**(Action : Banks / Agri Marketing Dept., GoK)**

**AGENDA No. 24 : NABARD AGENDA ITEMS:**

**I. Re-opening of the DEDS- 2013-14**

NABARD received an administrative approval of GoI for the continuation of the DEDS for the year 2013-14. The State allocation under DEDS for the year 2013-14 is Rs.16 crore and the achievement during the year is Rs.5.83 crore for 1258 units. The allocation of funds for the State had been made subject to the following conditions:

* 75% of the outlay would be for components- (i) establishment of dairy units, (ii) rearing of heifer calves and (iii) projects in cluster mode involving more than one component including purchase of dairy processing equipment/transportation facilities, cold chain facilities and dairy marketing parlour/outlet, with preference being given to project proposals under (iii) over (I) and (ii).
* Remaining 25% of the outlay will be allocated for the components (other than for establishment of dairy units) of the Scheme.

**Based on the queries received from Banks from time to time, the following is clarified:**

1. The restrictions regarding the acceptance of fresh application has been lifted and the loan applications received by banks upto 26 June 2012, if not processed, to be considered during the year 2013-14.
2. The modifications regarding State-wise targets or other stipulations regarding component-wise allocations (75% of the outlay would be for establishment of dairy units, rearing of heifer calves and projects in cluster mode involving more than one component) communicated vide GoI's letter dated 17 May 2013 are not applicable on the applications received by bank up to 26 June 2012.
3. The loan applications received by the banks between 27 June 2012 and 31 May 2013 under the scheme in respect of the beneficiaries from the North-eastern States and under Special Component Plan for the Scheduled Caste can be considered during 2013-14.
4. Other applications can be considered in consultation with the concerned State Government subject to the state-wise ceiling/allocation decided for 2013-14.
5. It was also clarified that earlier applications received by banks for waiver of the margin money for loans up to Rs.1.00 lakh as per RBI guidelines under the Scheme cannot be considered, as the application submitted by the beneficiaries earlier are as per the existing guidelines/ Administrative approval of the Scheme.

NABARD informed that they have already settled 8816 claims (Rs. 28.88 cr). SLBC had requested for early settlement of 1719 pending claims (Rs. 3.72 cr). Banks were requested to submit the correct claims as per the prescribed format.

**(Action : Banks / LDMs)**

**II. Non-participation of Rural and Semi-Urban Bank Branches in SHG & JLG financing**

The Regional Office, NABARD had advised State Bank of India, Canara Bank, Indian Bank, State Bank of Mysore, Syndicate Bank, Vijaya Bank, Corporation Bank, State Bank of Hyderabad, Ratnakar Bank Ltd., Karnataka Bank Ltd., ICICI Bank Ltd., & HDFC Bank to identify non-participating branches in the State and issue necessary instructions to those branches for implementing SHG-BLP and JLG financing which will not only help the bank in achieving the targets under priority sector lending, but also empowering the rural poor women to get out of the poverty.

**(Action : Concerned Banks)**

**III. Incentive scheme for tracking and revival of dormant SHGs.**

NABARD, HO vide Circular dated 29.11.2013 addressed to all Commercial Banks, RRBs and Cooperative Banks had advised the banks to identify dormant SHG in its books and engage the services of either the SHPI which had promoted the SHG or other quality NGOs the could serve as Business Facilitators, leaders of well functioning SHG, or bank's Business Correspondents with adequate knowledge of the subject for revival of dormant SHG. For this purpose, NABARD would provide promotional grant assistance upto Rs.3000/- per SHG revived as incentive to banks. The incentive scheme would be operational for a limited period only.

**(Action : Banks)**

**IV. Restructuring of SGSY as NRLM - Interest Subvention Scheme for Women SHGs during 2013-14 for RRBs in 150 districts**

NABARD, HO vide Cir. dated 26.11.2013 addressed to all RRBs has issued necessary instructions for operationalisation of the captioned scheme. Under this scheme, interest subvention is available to Women SHGs who avail loans upto Rs. 3 lakhs at 7% per annum. An additional subvention of 3% if they repay in time, is also available, reducing the effective rate of interest to 4%. The four districts identified in Karnataka are Gadag, Koppal, Mysore and Tumkur. RRBs will be claiming interest subvention in respect of the above 4 districts from Regional Office, NABARD. As regards other 26 districts in the State, RRBs will be claiming interest subvention from State Rural Livelihood Mission.

**(Action : Banks)**

**V. Financial Inclusion**

**1. Programme on Financial and Agricultural Literacy**

NABARD, Karnataka Regional Office has sanctioned a 26-episode programme on Financial and Agricultural Literacy titled “*Marali Baa Mannige”* which would be broadcast by All India Radio, Mysore across all radio stations of Karnataka, every Sunday between 7.00 pm and 7.30 pm in *Krishiranga.* The programme will focus on the role of banks in achieving the National goal of financial inclusion and financial literacy including various types of financial services extended by banks to farmers. The programme will also focus on young farmers who have returned to agriculture from urban areas. The inauguration of the programme is scheduled to be held on 10 January 2014 and the Hon'ble Minister of Agriculture, Government of Karnataka has kindly consented to inaugurate the programme. The airing of first episode will commence on 12 January 2014. NABARD has written to all major banks in the State to participate in the programme by deputing their Senior Executives and Branch Managers who are passionate about agriculture lending.

**(Action : Banks)**

**2**. **Demonstration of banking technology :**

RRBs and DCCBs are eligible for financial support upto Rs.10.00 lakh for demonstrating banking technology under FIF. Under the scheme, mobile van fitted with ATM and POS machines will visit villages in the area of operations of the RRBs and work primarily as a literacy tool by demonstrating use of ATMs / POS machines. The bank will also provide financial literacy material in vernacular languages about the KCC debit cards, ATM services and POS terminals to be provided in the mobile van. The components eligible for support under the scheme will be for Mobile Van, ATM GPRS, Router, UPS, POS etc. and financial education material in vernacular language. Kaveri Grameena Bank and South Canara DCCB have been recently sanctioned support under the scheme. Other RRBs/DCCBs may submit proposals.

**(Action : Banks / RRBs)**

**VI. KCC- Data on ATM enabled electronic KCC Cards**

As per GoI instructions, all KCC holders should get ATM enabled cards by 30 June 2013. Presently, only Pragathi Krishna Gramin Bank is issuing RuPay KCC. KVGB and Kaveri GB were requested to report the progress on issue of RuPay KCC. Their respective sponsor Banks namely Syndicate Bank and State Bank of Mysore were requested to monitor the progress.

**(Action : RRBs / Sponsor Banks)**

1. **Fixation of Unit Cost:Convening of State Level Unit Cost Committee (SLUCC)Meet**

Based on the recommendation of State Level Unit Cost Meeting (SLUCC) held on 27.11.2012, indicative unit costs of agriculture and allied activities were uploaded in the SLBC Karnataka web site.

NABARD had convened SLUCC meeting and finalised unit costs are awaited.

**(Action : NABARD)**

1. **Fixation of Unit Cost for MSE / NFS projects/activities by District Level Unit**

**Cost Committee**

In the 29th meeting of Empowered committee on MSMEs convened by the Reserve Bank of India on 03 January 2013, it was decided to constitute District Level Unit Cost Committee (DLUCC) with CEO, ZP as Chairman in all the districts and decide upon the unit cost of MSE / NFS projects / activities. As per information available with us, the Unit Cost for MSE / NFS activities has been circulated by 17 Districts.

In the Empowered Committee Meeting of MSMEs, the Committee expressed its concern for failure on the part of remaining district level officials to comply with the instructions issued by the Committee and SLBC. The Empowered Committee had advised that all out efforts are to be made by the district level agencies to conduct the DLUCC meeting and fix the unit costs for MSE/NFS activities. SLBC has been pursuing with the remaining LDMs for doing needful at an early date.

**(Action : Remaining 13 LDMs)**

**IX. Awards for best performing Farmers Clubs during 2012-13**

Farmers Clubs supported by NABARD have been playing a key role in improving institutional credit flow to their villages, and have also been instrumental in transfer of agricultural technology to the farmers and increase in agriculture production and productivity. In order to recognize and appreciate the work done by good working farmers clubs towards facilitating availability of credit to farmers, capacity building, transfer of technology, business facilitation for banks, social interventions, economic activities and innovative interventions, it is proposed to give awards to best working Farmers Clubs in the State.

In this connection, some of the prominent commercial banks in the State (SBI, Indian Bank, Karnataka Bank, State Bank of Mysore, Vijaya Bank, Syndicate Bank, Corporation Bank and Canara Bank) were requested to sponsor names of few Farmers Clubs who can be considered for the awards. Proposals may please be routed through their District Development Managers.

**(Action : Banks)**

**X. Capital Subsidy / Refinance Scheme for installation of Solar Off grid and decentralised Solar Water heating system under JNNSM and Capital Subsidy Scheme for Solar Lighting Systems and Small Capacity PV Systems under JNNSM**

Banks are aware that both the above Central Government Schemes have been extended during 2013-14. The implementation of Solar Schemes would help the banks in increasing their CD ratios, increase lending under priority sector and help achieving the ACP targets. Commercial Banks were requested to increase their share in implementation of solar schemes in Karnataka. In order to create publicity and deeper penetration banks to consider the following measures:

1. Banks may consider bundling of loans under Solar Home Lighting System and Solar Water Heating System while sanctioning Housing Loans to their clients.
2. Implementation of the scheme may be done through R-SETIs/ FCs/ R-SETIs for wider implementation of the scheme.
3. Branch Managers may be sensitized about solar off-grid applications under JNNSM with support of the approved channel partners of the MNRE, R-SETIs.
4. Training of local youth to be arranged by Banks with the help of RUDSETIs/ R-SETIs/ other training institutes for the purpose of trouble shooting/ repairs of solar units installed. In the absence of a proper repair mechanism with quick response time, there is an adverse spill over effect over further implementation of the schemes.
5. CSR funds of Banks may also be tapped for providing solar street light, solar kit for students, solar lighting in homes in backward districts as initiated by some Commercial Banks already.

**(Action : Commercial Banks)**

Sri T.K. Srivastava, ED, Convenor Bank expressed satisfaction about the vibrant deliberations on key issues. He suggested for strengthening data base for making meticulous analysis for drawing valid inferences.

The meeting concluded with Vote of Thanks by Sri T.K. Srivastava, ED-SyndicateBank – Convenor Bank.

Agency-wise list of participants is enclosed.

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**SLBC – KARNATAKA**

**LIST OF PARTICIPANTS**

**126th SLBC Meeting held on 19.03.2014**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sl. No.** | **Name Shriyuths -** | **Designation** | **Organization** |
| 1 | Sudhir Kumar Jain | Chairman-SLBC & CMD | Syndicate Bank |
| 2 | G.V. Krishna Rau | Addl. Chief Sec. & Dev. Com. | Govt of Karnataka |
| 3 | Smt. Uma Shankar | Regional Director | Reserve Bank of India |
| 4 | T.K. Srivastava | Executive Director | Syndicate Bank |
| 5 | G.R. Chintala | Chief General Manager | NABARD |
| 6 | Ateesh Singh | Director | DFS: MoF: GoI |
| 7 | K. Santhosh Kamath | Convenor-SLBC & GM | Syndicate Bank |
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| **STATE GOVERNMENT DEPARTMENTS** | | | |
| 8 | T.M. Vijaya Bhaskar | Addl. Chief Secretary | RD & PR Department |
| 9 | Basavaraju | Principal Secretary | Revenue Department |
| 10 | I.S.N. Prasad | Principal Secretary | Finance Department |
| 11 | E.V. Ramana Reddy | Principal Secretary | Housing & BC Welfare Department |
| 12 | Ms. Roop Rashi | Secretary (Fiscal Reforms) | Finance Department |
| 13 | G. Ramanathan | Advisor (FI) | Finance Department |
| 14 | D.R. Shashidhar | Dy. Secretary (Banking) | Finance Department |
| 15 | D.V. Swamy | MD, Sanjeevini | National Rural Livelihood Mission |
| 16 | K.M. Parashivamurthy | Jt. Director | Horticulture Department |
| 17 | Dr. H. Subbaiah | Addl. Director | Dept. of Agriculture |
| 18 | Smt Shobha H.B. | Dy. Director | Dept. of Agriculture |
| 19 | P.R. Shiva Prasad | Director, SSP | Revenue Department |
| 20 | Nanjundappa | Dy. Secretary | Social Welfare Department |
| 21 | H.S. Nagarajaiah | Addl. RCS | Cooperation Department |
| 22 | Smt Lizzie Philips | OSD & Jt. Secretary | Cooperation Department |
| 23 | Dr. Sirish | ADG | UIDAI |
| 24 | Smt M.M. Bindu | Project Director | Dept. of Women & Child Development |
| 25 | R. Ramesh | Jt. Director (TC) | Dept. of Industries & Commerce |
| 26 | Narayana Raju G. | Addl. Director (Vishwa) | Dept. of Industries & Commerce |
| 27 | Nagaraj | Accounts Officer | Dept. of Municipal Administration |
| 28 | Sandeep Patil | Consultant | Centre for e-Governance |
| 29 | Karthik | Sr. Consultant | Centre for e-Governance |
| 30 | S. Bhattacharjee | Principal Consultant | Centre for e-Governance |
| 31 | Dr. K. Shiva Kumar | Addl. Director | Dept of AH & VS |
| 32 | Dr. T.P. Amaranath | Dy. Director | Dept of AH & VS |
| 33 | N. Ramesh | SPM (FI) | National Rural Livelihood Mission |
| 34 | Prakash Kumar M | SPM (MSE) | National Rural Livelihood Mission |
| 35 | M. Muniraju | ASO | Dept. of Economics & Statistics |
| 36 | R. Sridhar | JRCS | Dept. of Sericulture |
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| **RESERVE BANK OF INDIA** | | | |
| 37 | Ms. Saraswathi S | General Manager | RBI |
| 38 | G.B. Kulkarni | Dy. General Manager | RBI |
| 39 | K.S. Chakrawarthy | Asst. General Manager | RBI |
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| **APEX INSTITUTIONS** | | | |
| 40 | L.L. Raval | Dy. General Manager | NABARD |
| 41 | K. Sathianandan | General Manager | SIDBI |
| 42 | N A Shanbhag | Advisor | NHB |
| 43 | H.T. Suresh | Regional Chief | HUDCO |
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| **CONVENOR - SYNDICATE BANK** | | | |
| 44 | K. Preetham Lal | General Manager | Syndicate Bank - PSCD |
| 45 | Y. Srihari | Asst General Manager | Syndicate Bank - SLBC |
| 46 | M P Jagadeesh Murthy | Chief Manager | Syndicate Bank - SLBC |
| 47 | Vishwanath Reddy | Chief Manager | Syndicate Bank – FID |
| 48 | Uday Kumar Holla | Sr Manager | Syndicate Bank - SLBC |
| 49 | Pullaiah Dayapule | Sr Manager IT | Syndicate Bank - SLBC |
| 50 | Kirthi D Gandhi | Manager IT | Syndicate Bank - FID |
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| **NATIONALISED BANKS** | | | |
| 51 | P.S. Rawat | Executive Director | Canara Bank |
| 52 | S. Ramesh | General Manager | Canara Bank |
| 53 | B. Jayarama Shetty | General Manager | Vijaya Bank |
| 54 | C.S. Vasanth Kumar | General Manager | Indian Overseas Bank |
| 55 | A.K. Vinod | Dy. General Manager | Corporation Bank |
| 56 | C. Sathish Ballal | Dy. General Manager | Vijaya Bank |
| 57 | V.K. Sharma | Asst. General Manager | Punjab National Bank |
| 58 | P. Balakrishna | Asst. General Manager | Central Bank of India |
| 59 | K. Narasimhan | Asst. General Manager | Union Bank of India |
| 60 | C.G. Popere | Asst. General Manager | Bank of India |
| 61 | R. Chandrasekhar | Asst. General Manager, RO | IDBI Bank |
| 62 | P. Prem Kumar Rao | Asst. General Manager, ZO | Indian Bank |
| 63 | H.S. Sagar | Dy. Regional Manager | Bank of Baroda |
| 64 | M.V. Ramesh Babu | Chief Manager | Dena Bank |
| 65 | D. Kannan | Chief Manager | Punjab & Sind Bank |
| 66 | P.R. Tufan | Chief Manager | Oriental Bank of Commerce |
| 67 | V.M. Shenoy | Sr. Manager | Bank of Maharashtra |
| 68 | Rajesh Shrivastava | Sr. Manager | Allahabad Bank |
| 69 | Sheeba Tanuja Y | Sr. Manager | UCO Bank |
| 70 | C.B. Hugar | Sr. Manager | Bank of India |
| 71 | Thothya Naik | Sr. Manager | Indian Bank |
| 72 | L. Surya Narayanan | Sr. Manager | Indian Overseas Bank |
| 73 | Rafi Ahmed | Manager | Corporation Bank |
| 74 | R. Naveen | Dy. Manager | Andhra Bank |
| 75 | Vinay Sharma | SWO-A | Punjab National Bank |
| 76 | Aditi Sharma | Agri Officer | Oriental Bank of Commerce |
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| **STATE BANK GROUP** | | | |
| 77 | Dr. K. Lakshmisha | General Manager | State Bank of Mysore |
| 78 | Jasvinder Pal Singh | Dy. General Manager (Agri) | State Bank of Mysore |
| 79 | B. Venkata Ramana | Dy. General Manager (FI) | State Bank of Mysore |
| 80 | Dr. G.P. Ray | Dy. General Manager | State Bank of India |
| 81 | S. Sathyanarayana | Asst. General Manager | State Bank of Hyderabad |
| 82 | V.M. Hagargi | Asst. General Manager | State Bank of India |
| 83 | P.P.G. Muni Subba Reddy | Asst. General Manager | State Bank of India |
| 84 | Suresh K. Bellubbi | Chief Manager | State Bank of Mysore |
| 85 | Yadindran R.R. | Chief Manager | State Bank of Travancore |
| 86 | Smt Pushpa Srivastav | Manager | State Bank of Bikaner & Jaipur |
| 87 | Rajesh N. Kunchitabettu | Manager | State Bank of Mysore |
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| **PRIVATE BANKS** | | | |
| 88 | V.N. Manohar | Dy. General Manager | Karnataka Bank Ltd |
| 89 | Srikumar Nair | Sr. Vice President | HDFC Bank |
| 90 | P. Ravindra Babu | Vice President | ING Vysya Bank Ltd |
| 91 | H.S. Reddy | Area Manager | ING Vysya Bank Ltd. |
| 92 | R. Ananda | Asst. VP | ING Vysya Bank Ltd. |
| 93 | S. Rajakumar | Chief Manager | South Indian Bank Ltd |
| 94 | S. Lokanathan | Chief Manager | Tamilnad Mercantile Bank |
| 95 | Smt Suhasini P. Rao | Sr. Manager | Dhanalaxmi Bank Ltd |
| 96 | Hariharan S | Sr. Manager | Federal Bank |
| 97 | Girish Kumar D.V. | Sr. Manager | Kotak Mahindra Bank |
| 98 | Sanjeev Aggarwal | Associate Executive | J & K Bank Ltd |
| 99 | R. Jagadish | Manager | Axis Bank |
| 100 | H.M. Girish Kumar | Manager | Karur Vysya Bank |
| 101 | Dhanasekaran M | Asst. Manager | Tamilnad Mercantile Bank |
| 102 | N. Asoka Raju | Asst. Manager | City Union Bank |
| 103 | Vageesha O.M. | Asst. Manager | Lakshmi Vilas Bank |
| 104 | Venkata NK Nookala | Asst. Manager | ICICI Bank Ltd |
| 105 | Pinto A.P. | Asst. Manager | Catholic Syrian Bank |
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| **CO OPERATIVE BANKS/ OTHER BANKS/INSTITUTIONS** | | | |
| 106 | G.S. Ramana Reddy | Chief Executive Officer | KSC Apex Bank Ltd. |
| 107 | L.B. Nilogal | General Manager | K.S.F.C. |
| 108 | R.L. Chavan | General Manager | K.S.C.A. & R.D. Bank |
| 109 | Smt H.S. Chandrakanthamma | Loan Section | K S Industrial Co op Bank Ltd |
| 110 | B R Hiremath | Executive Director | KFRC Bagalkot |
| 111 | S P Jagali | Director | KFRC Bagalkot |
| 112 | K J Morab | Chief Executive Officer | AKMI |
| 113 | Anand Rao | Treasurer | AKMI |
| 114 | M. Linganna | State Project Coordinator | NAR, Bangalore |
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| **REGIONAL RURAL BANKS** | | | |
| 115 | M.G. Bhat | Chairman | Pragati Krishna Grameena Bank |
| 116 | Suryakant R. Ganga | General Manager | Karnataka Vikas Grameena Bank |
| 117 | Janardhanaiya | General Manager | Kaveri Grameena Bank |
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| **BOARDS/CORPORATIONS/GOVT. OF INDIA** | | | |
| 118 | Dr. R. Raju | Managing Director | Dr. B.R. Ambedkar Dev. Corpn Ltd. |
| 119 | Dr. U.P. Chandrashekhar | Managing Director | D Devaraj Urs BC Dev. Corp. |
| 120 | K.S. Mruthyunjaya | Managing Director | Karnataka Maharshi Valmiki ST Dev. Corpn. |
| 121 | V. Doraiswamy | General Manager | Karnataka Womens Dev. Corpn. |
| 122 | Digge Shivaji | General Manager | Dr. B.R. Ambedkar Dev. Corpn Ltd. |
| 123 | Rekha M | Inspector Posts | Chief Post Master General Office |
| 124 | M. Vishwanath | P.R.O. | Dept. of Posts |
| 125 | Girija P | Director | National Commission for SCs |
| 126 | M. Jagannadha Rao | State Director | K.V.I.C. |
| 127 | N.M. Biradar | Accounts Officer | K.V.I.B. |
| 128 | N.K. Shamasundara | Asst. Director | Ministry of MSME, GoI, Bangalore |
| 129 | Dhal Singh | Dy. Director | National Horticulture Board |
| 130 | H.B. Gangadharappa | Dy. Director | Karnataka State Minorities Com. |
| 131 | T.R. Kotappa | Asst. Gen. Manager | Karnataka BC Dev. Corpn. |
| 132 | M. Lingadurai | Nodal Officer | K.V.I.C. |
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| **LEAD DISTRICT MANAGERS** | | | |
| 133 | Jayaramaiah | LDCM | LDO, Tumkur |
| 134 | N. Manjunatha Bhat | LDCM | LDO, Bangalore Rural |
| 135 | R.C. Patil | LDCM | LDO, Shimoga |
| 136 | G.K. Jois | LDCM | LDO, Davanagere |
| 137 | Solomon Menezes | LDCM | LDO, Hassan |
| 138 | V.K. Bagalkoti | LDCM | LDO, Yadgir |
| 139 | Basavaraj S. Hugar | LDM | LDO, Dharwad |
| 140 | H. Jayaprasad Shetty | LDM | LDO, Bagalkot |
| 141 | Ravindra Dhanakshirur | LDM | LDO, Koppal |
| 142 | G. Arunachala Sharma | LDM | LDO, Kodagu |
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| **INSURANCE COMPANIES** | | | |
| 143 | B.S. Ramachandraiah | Manager Micro | LIC of India |
| 144 | P. Chandra Babu | Regional Manager | New India Assurance Co. Ltd. |
| 145 | A Krishnaraj | Administrative Officer | Agriculture Insurance Co of India |

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