

STATE LEVEL BANKERS' COMMITTEE KARNATAKA

PROCEEDINGS OF THE 160th SLBC MEETING HELD ON 14.02.2023

CONFERENCE HALL,
Room NO 313, Vidhana Soudha,
BENGALURU – 560001

(Through VC)

CONVENOR



HEAD OFFICE: ANNEXE, BENGALURU

**STATE LEVEL BANKERS' COMMITTEE: KARNATAKA
CONVENOR: CANARA BANK**

**MINUTES OF THE 160th SLBC MEETING and BANKING STATISTICS AS ON 31st
DECEMBER 2022 HELD ON 14.02.2023**

The 160th SLBC meeting of the state of Karnataka was held on 14.02.2023 at 3.00 PM at Conference Hall, #313, Vidhana Soudha, Bengaluru under the Chairmanship of Smt.Vandita Sharma, Chief Secretary, GoK, Sri.Ramana Reddy E V , ACS and DC, GoK, and attended by Sri. Hardeep Singh Ahluwalia, Executive Director, Canara Bank, Sri. P Parshwanath, Convenor and Deputy general Manager, -SLBC Karnataka, Sri T Ramesh, Chief General Manager NABARD. Sri. P N Raghunath, O-I-C, & Chief General Manager, RBI, Bengaluru Ms. Sunanda Batra, General Manager RBI attended through video conference besides Principal Secretaries, Secretaries, Commissioners & Directors from Govt. departments / corporations and senior executives from RBI, NABARD, SLBC and different banks.

Sri. B Parshwanath, Deputy General Manager, SLBC welcomed Smt. Vandita Sharma, Chief Secretary, GoK, Sri.Ramana Reddy E V, ACS and DC, GoK , Sri. Hardeep Singh Ahluwalia, Executive Director, Canara Bank Sri. P N Raghunath, O-I-C, & Chief General Manager, RBI, Bengaluru Ms. Sunanda Batra, General Manager RBI , Sri T Ramesh, Chief General Manager NABARD besides Principal Secretaries, Secretaries, Commissioners & Directors from Govt. departments / Corporations and senior executives from RBI, NABARD, SLBC and different banks and all the dignitaries, members, participants & invitees.

Sri. Hardeep Singh Ahluwalia, Executive Director, Canara Bank, in his key note address, once again welcomed all the dignitaries for the meeting on behalf of SLBC Karnataka and Canara Bank.

He informed the house that the achievement as at 31.12.2022 under ACP under Agriculture is 79.48% of the annual target, total credit is 94.55% and total priority sector is 63.71%. He complemented all the bankers for good performance. He also informed that, under Priority Education [14.17%] and Priority Housing [12.47%] performance is not as expected. He urged the bankers to achieve the set targets under all parameters.

Further, he informed that Government of Karnataka has initiated Swami Vivekananda Youth JLG, Stree Samarthya Yojana, loan to Artisan's and other various schemes like Udyogini etc. He requested member banks to expedite processing and sanctioning of applications received by branches under "Affordable Housing in Partnership" vertical of Pradhan Mantri Awas Yojana (Urban) in convergence with GoK housing. He requested member banks to be a part in celebrating **Mai Bhi Digital** Campaign from 6th to 16th of this month for on boarding street vendors to digital platform and also in conductingn Gram Panchayat level campaigns for saturation of social security schemes which is being conducted from 15th of this month till 15th of August 2023.

He urged upon the bankers to achieve the target allotted under PM Formalization of Micro Food Processing Enterprises (PMFME), Agricultural Infrastructural Fund scheme and Animal Husbandry Infrastructure Fund scheme, KCC Animal Husbandry and Fisheries which will contribute in a big way in enhancing farmers' income and meeting the needs of the most vulnerable sections of the society.

He expressed his happiness in informing the house that Karnataka state ranks 3rd under PMFME and 7th position in case of PMSVANidhi scheme. He congratulated all the bankers as Karnataka stood 3rd place in MUDRA sanctions and disbursements as at Dec.2022 which

was in 5th position as at Sept.2022. He requested member banks to aim No.1 position in implementation of all the Govt. Sponsored schemes.

He also requested member banks to keep the momentum of overall growth in business, with special emphasis on priority sector advances and achieve the ACP targets.

Subsequently **Sri B Parshwanath, Deputy General Manager, SLBC Karnataka** initiated and moderated agenda wise discussion by taking suggestions from Departments & Bankers and directions from the Chair.

AGENDA 1: Confirmation of circulatory agenda regarding Swami Vivekandanda Yuva Shakthi JLG:

The circulatory agenda was confirmed subject to availability of Credit Guarantee from Government of India.

AGENDA 2: Confirmation of the minutes of 159th SLBC meeting held on 15.11.2022.

The minutes of 159th SLBC meeting held on 15.11.2022 were circulated among all the member banks and Govt. Departments. As no suggestions received, the house may kindly confirm the minutes.

AGENDA 4: REVIEW OF CREDIT DISBURSEMENT BY BANKS:

4.1. Achievement under ACP and Priority Sector Lending:

Convenor presented a comparative analysis of disbursement up to the quarter ending December 2022 of FY 2022-23.

- The banks have disbursed Rs.56951 Crore under Short Term agriculture loans registering 69.54% achievement of the Annual target as on 31.12.2022.
- The banks have disbursed Rs.55038 Crore as on Dec.2022 under Agricultural Term loans registering 93.32% achievement of the Annual target.
- Total agriculture registering 79.50% achievement as on 31.12.2022, of the annual target.
- The banks have disbursed Rs. 85113 Crore under MSME as on 31.12.2022 registering 65.67% achievement of the Annual target
- The banks have disbursed Rs. 4094 Crore under priority Housing as on 31.12.2022 registering only 12.43 % achievement of the Annual target.
- Convenor requested member banks to improve lending under priority sector credit with focus on KCC, KCC Dairy, MSME, priority housing, education loans and other priority sector for the FY 2022-23.

The Chief Secretary advised banks to focus more on improving Housing loan, priority sector lending and improving CD ratio of the State.

(Action: All member banks)

4.2 Major Bank wise performance/Achievement of ACP as on December2022

The house took note of the performance of all the banks under ACP as at 31.12.2022. Chief Secretary advised some of the banks where performance is very poor to achieve better performance by mission mode.

(Action: Central Bank of India, Karnataka Grameena Bank, Punjab and Sindh bank, Indian Overseas bank, Punjab National Bank, , Karnataka Bank,)

AGENDA 5: PMAY-U (HOUSING FOR ALL 2022)

Convenor SLBC informed the house about the progress achieved in bank linkages under AHP vertical of PMAY(U). The Managing Director, RGHCL gave the latest statistics about sanction and pending of Housing Loan applications with banks. The chief secretary, GOK reviewed the performance of major banks and informed the house that performance of major banks are not satisfactory and instructed all member banks to sanction more number of loans under AHP vertical of PMAY(U), Banks were requested to gear up for the speedy disposal off the pending applications. Chief Secretary critically reviewed the performance under the scheme and instructed all banks to clear the pendency for disbursement and sanction eligible loans immediately. Convenor informed the house that they will conduct a meeting with all member bank and RGHCL officials.

E Governance Department informed that pilot project for digital documentation on AHP is being started. Union Bank of India was selected for this pilot project.

(Action: All member Banks, LDMs and RGHCL KSDB)

AGENDA 6: REVIEW OF DISTRICTS HAVING CD RATIO LESS THAN 60% AND WORKING OF SPECIAL SUB-COMMITTEES OF DCC (SCC)

Districts with CD Ratio of less than 60% as on Dec 2022:

Convener informed the house that, The CD Ratio of the state as a whole as on 31.12.2022 was 75.22%. Uttara Kannada has shown improvement over Sept 2022 and Udupi districts is slightly down by 0.14% over Sept 2022.

DCs and LDMs are requested to continue necessary corrective measures in this regard and continuously monitor the same in their special subcommittee and DCC meetings. It is informed by the LDMs of these districts that District Level Sub-committee is formed to review Bank wise CD ratio. All member Banks and LDMs in the district were advised to reach the CD Ratio target of 60% for every quarter.

(Action: Uttara Kannada, Udupi LDMs & DCs and All Banks)

AGENDA-7: Issues - Reimbursement of pending BPL claims of training expenditures:

SLBC requested the department to clear the pending claim of Rs. 25.53 crores at an early date. The Mission Director, NRLM Dept, assured to clear the same as soon as the funds are received from Government of India.

(Action: Dept. of Skill development- GoK, SRLM & GoK)

AGENDA-8: REVIEW OF FINANCIAL INCLUSION INITIATIVES, EXPANSION OF BANKING NETWORK AND FINANCIAL LITERACY

Convenor informed the house that, as per Jan Darshak app and FI Plan portal, there are no unbanked villages without any Branch or BC within a radius of 5 KM as on that date. However, there were 104 village having a population of less than 3000. IPPB had confirmed that out of 104 villages they have IPPB centres at 52 villages. SLBC requested member banks to do the needful in remaining 52 villages.

(Action: All member Banks)

AGENDA 9: FINANCIAL INCLUSION INITIATIVES:

9.1: Functioning of Business Correspondents (Review of Operations of Business Correspondents – hurdles/issues involved):

Convenor informed that, there were 12269 inactive BCs as on 31.12.2022 and of which majority of inactive BCs were from YES Bank. Convenor requested respective Banks to activate all inactive BCs and appoint new BCs where BCs have resigned / not certified by IIBF within the timeline fixed by IBA and initiate measures for making these centers functional. Chief Secretary informed some portion of BCs can be earmarked for IIBF certified BC sakhis.

The Chief Secretary GoK advised State Bank of India, Canara Bank, IDFC First Bank, HDFC Bank, Bank of Baroda, Bank of India and other banks to activate the inactive BCs. Yes bank informed to house that before 20.03.2023 all BCs will be activated.

(Action: All member Banks)

9.2: Financial literacy initiatives by banks.

As at 31.12.2022 there were 27 non-functional FLCs. Convenor requested SBI, UBI, BOB, BOI & KGB Banks to appoint FL counsellors (13,9,2,1 & 2 FL Counsellors respectively) immediately and make these FLCs functional. SLBC requested all the sponsor Banks to oversee the functioning of FLCs and to also arrange for prompt and accurate reporting. SBI informed that house they have already completed the process and will appoint the FL Counsellors shortly.

(Action: SBI, UBI, BOB, BOI and KGB)

9.3 State Level Implementation Committee for Targeted Financial Inclusion Intervention Programme (TFIIP):

The progress of KPIs by Banks at aspirational districts, reported by respective LDMs as on 31.12.2022 was reviewed by the house. In respect of all the parameters, both the districts have achieved the set targets.

The Chief Secretary advised the bankers to actively participate in Gram Panchayat level campaign from 15.02.2023 to 15.08.2023.

(Action: all banks in Raichur and LDM of Raichur district)

AGENDA 10: KCC

10.1 KCC Loans – Disbursements & Outstanding:

SLBC-Convenor informed the house that the achievement in the total KCC outstanding as on December 2022 is Rs. 59174.87 crores. Convenor-SLBC requested all the member Banks to sanction KCC loans to all the eligible farmers for agriculture and allied activities and to move in the direction to achieve the set targets for the FY 2022-23. Convenor requested state Government department to share data of farmers whose land holding is less than 1 acre. E Governance department requested all member banks to submit Hash of Aadhar for saturation of KCC.

(Actions: All Member Banks, Dept. of e-Governance GoK)

10.2 KCC-Dairy and other animal husbandry activities:

Convenor SLBC informed the house that, in order to ensure maximum coverage of farmers engaged in Animal Husbandry and Fisheries under KCC, DFS: GOI had launched a special saturation drive in the form of weekly "District Camps

Convenor SLBC informed the house that Banks have sanctioned 60516 KCC –AH loans against the accepted applications of 124665 during special saturation drive for KCC AH from 01.04.2022 to 28.01.2023. Major reasons for rejection of mobilized loan applications were applicants were from existing defaulters, applicants already having KCC loan with other banks, milk payment not coming to the concerned branch, applicants not willing to avail loans, members of the family applying for KCC against same milch animal etc.,

The Convenor SLBC requested all State Controlling Heads of Banks for expeditious sanctions/disposal of pending KCC-AH applications.

Issuance of KCC-Fisheries:

SLBC Convenor informed the house that banks had sanctioned 12313 KCC fishery loans amounting to Rs.179.29 Cr from period 01.04.2022 to 31.12.2022.

The Convenor, SLBC requested all State Controlling Heads of banks for expeditious sanctions of KCC fishery loans as per the extant guidelines.

(Actions: All Member Banks and animal husbandry and fisheries department)

10.3. Pledge financing for Agriculture Commodities through electronic- Negotiable Warehouse Receipt (e-NWR) :-

Convenor informed that Warehousing Development and Regulatory Authority (WDRA) has been established under the Warehousing (Development and regulation) Act, 2007 for setting up a negotiable warehouse receipt system in the country, making Negotiable Warehouse Receipt (NWR) a prime tool of trade and regulation of warehouses.

He requested member banks to give more impetus to this scheme and informed the disbursement position as at 31.03. 2023. Chief Secretary informed that system of creating Pari Passu charge can be implemented.

10.4. Animal Husbandry Infrastructure Development Fund and FPOs:

Animal Husbandry Infrastructure Development Fund and the Central Sector Scheme [CSS] for formation and Promotion of 10000 FPOs. Both are having Credit Guarantee component to encourage banks to lend for these two activities. Credit guarantee relations are being managed by NABSAnrakshan Trustee Pvt Ltd, a wholly owned subsidiary of NABARD. NABARD informed that they have arranged for FPO handholding training in Karnataka state. One of such training programmes was already conducted at Dharwad and remaining programmes will be conducted shortly.

Convenor requested all the member banks to give more impetus to these schemes.

(Actions: NABARD, all Member Banks)

AGENDA. 10: RBI AGENDA (INPUTS FROM RESERVE BANK OF INDIA)

I. Financial Inclusion & Financial Literacy

a. Appointment of Financial Literacy Centres (FLCs)

(i) Out of the 177 Financial Literacy Centres (FLCs), 150 FLCs were active as on December 31, 2022 leading to vacancies of 27 FLCs (15% of the available positions). Controlling offices

of the above banks were advised to submit a plan of action with timeline to operationalise vacant FLC positions and take steps to curtail attrition among FLCs. SBI was advised to modify its FLC recruitment policy to ensure FLCs with requisite health/fitness only were issued appointment letters.

(Actions: SBI and all member banks.)

Special Camps and Target-Specific camps

During Dec 2022 quarter, there was a shortfall of 47 special FL camps by 14 active FLCs under 8 banks. In terms of target specific camps, there were shortfall of 74 camps by 12 active FLCs under 4 banks. Further, there was a shortfall in holding 8778 special camps by 4269 rural branches across the state. Also, 11 FLCs had not held requisite special camps and 7 FLCs had not held requisite target specific camps for two consecutive quarters of Sept-2022 and Dec-2022.

The banks were advised to (a) Submit a plan of action with timeline to conduct all the pending camps and to ensure that a calendar for each quarter (6 special camps and 15 target-specific camps per quarter) was prepared in advance by each FLC and shared with the SLBC and the Regional office of RBI (within 10 days of the start of the quarter) (b) Ensure that FLCs that were failing to hold requisite camps for consecutive quarters were monitored more closely (c) Monitor FI activities of rural branches to ensure conduct of requisite camps every month by the branches.

Member Banks were also advised to share the details of number of beneficiaries linked with formal financial systems as a result of these financial awareness programs/camps and put in place a mechanism to set targets and monitor their performance against the same.

(Actions: All Member Banks)

b. Business Correspondents (BCs) - Inactive BC locations and Reconciliation of Data

- (i) As on December 31, 2022, 14544 BCs (20%) were inactive out of total 73649 BCs. Banks were advised to operationalize inactive BC locations quickly and not later than March 31, 2023, as advised in the last SLBC meeting.

(All member banks)

- (ii) Out of total inactive BCs, 13932 inactive BCs pertained to 4 banks – UCO Bank, HDFC Bank, Yes Bank and India Post Payments Bank. These four banks were advised to provide explanation for the increase in in-active BC/significant variation in reported data.

(UCO Bank, HDFC Bank, Yes Bank, and Indian Postal Payment Bank)

- (iii) Despite upward revision of BC data during December 2022 quarter to 73649 BCs, number of BCs in Karnataka as on March 31, 2022 (reported to FIDD CO) was still higher at 84715. SLBC was advised to provide an update on their letter SLBC/2022/F-696 dated November 15, 2022 addressed to the banks regarding the difference in data shared with RBI and in revamped SLBC portal.

(SLBC)

- (iv) Seven banks whose inactive to total BC percentage was above 10% for Dec 2022 quarter were advised to submit detailed plan for the operationalisation of BCs.

(Canara Bank, Bank of India, UCO Bank, HDFC Bank, Yes Bank, IDFC First Bank and Indian Postal Payment Bank)

c. Based on Financial Inclusion Index (FI-Index),

Three districts (Ballari – usage criteria, Udupi and Uttara Kannada – Quality criteria) in Karnataka had been identified by FIDD CO in the bottom 10 percentile of the FI-index. In this regard, SLBC informed that it had already requested LDMs of these 3 districts to provide an update in the matter. SLBC was advised to follow up regarding forming sub-committee for FI index in Ballari, Udupi and Uttara Kannada district and have an agenda item on this aspect in ensuing meeting for monitoring performance of these parameters across all districts.

(Action: SLBC)

II. Lead Bank Scheme

a. Meetings under Lead Bank Scheme (LBS):

- (i) It was observed that both District Consultative Committee (DCC) and/or District Level Review Committee (DLRC) meetings of previous quarters of Mysore, Chamarajanagara, Gadag and Bidar had not been held till Jan 25,2023 for the quarter ended Sept 2022. SBI was advised to provide an update on the proposed dates of holding the pending meetings.

(Action: SBI)

- (ii) Further it was also observed that both DCC and DLRC meetings in Bagalkot Davangere and Kalburgi districts for Quarter ended Sept 2022 were held beyond the prescribed timelines. Controlling Heads of banks concerned were advised to indicate reasons for delay. Banks and line departments of state government were also advised to ensure representation of appropriate authority in the DCC/DLRC meetings.

(Actions: Member banks and state Govt. Line Departments)

- (iii) The number of line departments absent in the DCC / DLRC meetings were not being shared in the proceedings by LDMs. SLBC was advised to ensure that the LDMs indicate the same in the minutes in future. SLBC was also requested to collate data on absenteeism in BLBC meetings and take necessary steps to ensure adequate representation by banks.

(All LDMs, SLBC)

- (iv) LDMs were advised to forward the meeting invitations sent to public representatives with notices forwarded to FIDD, Bengaluru for DLRC meetings, but the same was not being shared. Controlling banks may ensure that the instruction was followed in future.

(Actions: All LDMs, SBI, Canara,UBI & BOB)

b. Meetings of SLBC Sub-Committees

It was observed that State Bank of India had not conducted Recovery and Rehabilitation subcommittee meeting from Sept 2022 quarter onwards and the same could not be conducted as several banks had not submitted data in requisite formats. The banks were advised to submit the data on urgent basis. Further, banks were advised to take assistance of line departments in recovery process and provide list of NPA beneficiaries to loan sourcing line departments through LDMs. In this regard, Recovery Sub-committee was advised to explore possibility of developing a portal to enable banks to push such NPA data to the line departments directly.

(Actions: All Member Banks)

c. Expanding and Deepening of Digital Payment Ecosystem

- (i) Haveri and Yadgir districts had been identified for deepening of digital payment ecosystem in the state. Both the districts were yet to achieve 100% digitization despite identification of these districts in August 2021. Haveri and Yadgir districts have achieved 99.82% and 90.13% in case of eligible savings account and 94.73 % and 74.18 % in case of current/business accounts respectively. Controlling offices of nodal banks (BoB and SBI) were advised to take urgent necessary action to achieve 100% digitization of savings and current accounts in Haveri and Yadgir districts, including ensuring data accuracy and consistency by March 31, 2023.

(Actions: SBI and BoB, all member banks)

- (ii) SLBC was advised to identify additional districts in the state for deepening of digital payment ecosystem.

(Action: SLBC)

- (iii) In the 159th SLBC, banks were advised to enhance digitization process through UPI123PAY for feature phone users on a large scale and SLBC was requested to monitor the progress in this area. SLBC was advised to update the current status on adoption of UPI123PAY in the state.

(Actions: SLBC, All Member Banks)

d. Data Upload by Banks in SLBC Revamped Portal

Banks were required to upload the quarterly data in SLBC revamped portal within 15 days from the end of concerned quarter. In order to streamline data submission process and ensure submission of MIS returns in time, SLBC was advised to explore feasibility of extracting requisite data directly from member banks CBS to eliminate interim data upload processes by banks.

(Action: SLBC)

e. Annual Credit Plan (ACP) - Rationalization of Targets – study

- (i) Banks had achieved a proportionate target of 85.02% under priority sector ACP. Banks' efforts in this regard were appreciated and banks were encouraged to continue this momentum and achieve at least 90% of the ACP targets for March 31, 2023. SLBC was advised to rationalize the targets for priority and non-priority sector advances while finalizing PLP and ACP for financial year 2023-24.

(Member Banks, SLBC)

- (ii) Analysis of bank category-wise achievements as on Dec 31, 2022, revealed that Private Sector Banks, Small Finance Banks and Rural Cooperative Banks had performed relatively better than Public Sector Banks and Regional Rural Banks in achieving PSL targets. SLBC was advised to examine the trend of achievements of each bank for 3 years and suitably allocate targets.

(Action: SLBC)

- (iii) RBI informed that banks set their internal annual target based on outstanding and SLBC sets ACP targets for disbursements only. This leads to branch focusing on outstanding rather than disbursements for priority sector segments. For ACP to be effective, the banks management / board were advised to align target fixation with RBI norms as per Para 3.2(e) on Master Circular on LBS. SLBC was advised to fix targets for both as per Para 3.3 on Master Circular on LBS. State controlling heads of the banks were accordingly advised to

provide a confirmation that they will be aligning their internal targets with targets set by SLBC, in terms of both disbursements and outstanding.

(Action: All Member banks, SLBC)

(iv) CD Ratio of Karnataka touched 75.22% as on December 31, 2022, an improvement from 72.70% as on Sept 30, 2022. CD Ratio of following four districts however was less than state average - Uttara Kannada (43.70%), Udupi (46.79%), Dakshin Kannada (64.96%) and Bengaluru Urban (71.21%). All the stakeholders were requested to work towards enhancing the CD ratio across these districts in the state.

(Actions: All Member Banks & LDMs)

III. Opening of Banking Outlets in Unbanked Villages: -

- (i) Out of the 4 branches, 3 branches have been opened and SLBC vide email dated Dec 16, 2022 has informed that location change has been sought by Karnataka Grameen Bank for branch at Yarjanti. It was informed that DFS Gol has permitted SLBC to take a call on the issue subject to ensuring availability of a branch within a radius of 5 kms.
- (ii) The Office of the Additional Chief Secretary to Government, Finance Department, Government of Karnataka (GoK) vide letter no. FD-CAM/179/2022 dated September 28, 2022 had advised SLBC to explore the possibility of opening India Post Payment Bank (IPPB) branch or extension counter of Cooperative banks/ their branch in villages having population above 3000 or in the 122 identified villages. In this regard, SLBC informed that out of 122 villages, 18 were covered by brick-and-mortar branches and remaining 104 were covered by BCs. Out of 104 villages, 52 villages were covered by IPPB centres and for remaining 52 villages, SLBC has advised member banks to explore possibility of opening branches. In the Steering Committee meeting, it was informed that there were 8 villages with population of more than 3000 and not having brick-and-mortar branches of a bank within 5 km radius. The IPPB centers in these villages were still not functional. The matter has been taken up with IPPB authorities by SLBC. SLBC was advised to keep RBI updated in the matter.

(Actions: SLBC)

VI. Sharing of information with competent authorities:

- (i) It was observed that the under mentioned banks were delaying or not responding despite 2 to 3 summons issued under section 3 (1a) read with Section 6(2) of Karnataka Protection of Interest of Depositors in Financial Establishments Act: HDFC, IDFC first bank, Development Credit bank, Indian Overseas bank, Indian bank, Canara Bank, Karnataka Gramin bank, Punjab National Bank, Union Bank of India, Yes bank and Bank of Baroda. SLBC was advised to take up the matter with the State controlling heads of the concerned member banks and provide a consolidated list to RBI.

(Action: SLBC)

VIII. Enhancing State infrastructure and improving ease of doing business for micro and small entrepreneurs and small and marginal farmers.

- (i) For enhancement of need based KCC/ doubling of income of farmers, it was suggested that a model farming plot in every village may be established. Adoption of

Lead Institution Scheme was suggested by RBI in this regard and shared with state government for consideration on Nov 24, 2022.

(Action: State Government)

- (ii) RBI top management has instructed to bring population outside the ambit of the formal financial system into formal fold. In order to provide bouquet of financial services such as insurance, pension, etc., to this excluded segment of the society, it was suggested that measures should be taken for formalization of rural finance. SLBC had taken up the matter with GoK and as GoK has stated that it does not have data on unbanked population, Lead districts banks were requested to conduct one survey each in one taluk to identify such population, utilising services of FLCs and CFLs.

(Action: Canara Bank, State Bank of India, Union Bank of India, Bank of Baroda)

- (iii) It was observed that only 13% of state GDP comes from agriculture whereas nearly 60% population depends on it. To ensure that share of agriculture in state GDP increases, NABARD was requested to identify the districts lagging behind in agriculture infrastructure and having lower per capita income & credit for agriculture vis-à-vis their potential. Preference may be given to these districts while allocating RIDF and other developmental funds.

(Action: NABARD)

IX. Micro, Small and Medium Enterprises

a. On boarding of Government & Corporate Buyers on TReDS platform

- (i) Till date, GoK had confirmed that only 7 state entities had registered under TReDS and 6 were not dealing with MSMEs. The status of remaining 85 Government Undertakings and Boards/Corporations was awaited despite many emails/letters sent from February 2022 onwards.

(Action: State Government)

- (ii) As ROC, Bengaluru telephonically informed that they were not maintaining data on registration of eligible companies on TReDS platforms, the banks were advised to provide the status. Till date, 9 banks had furnished the data to RBI. Member banks that were yet to share the data were advised to submit the same.

(Action: All Member Banks)

- (iii) Controlling offices of banks were advised to instruct LDMs to create awareness about Trade Receivables Discounting System (TReDS) and discuss the progress of onboarding eligible entities on TReDS in BLBC/ DCC meetings.

(Actions: Canara Bank, State Bank of India, Union Bank of India, Bank of Baroda)

VII. Issues in opening SHG Accounts

It was observed that

- (i) Banks were not opening SHG accounts/there was inordinate delay in opening accounts and account/loan applications were pending for a long period.
- (ii) Banks were insisting on KYC documents for all the members of the SHGs at the time of opening of accounts.
- (iii) banks were not opening accounts of SHGs under DAY-NRLM on submission of Form 60 alone and were insisting for PAN of SHG/members of SHG.

The banks were advised to take speedy action on the pending applications and adhere to KYC guidelines as mentioned in para 7 (ii) of Master Circular on Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM) dated July 20, 2022. SLBC was advised to add SLBC agenda item for monitoring such pending applications bank-wise, district-wise and period of pendency wise.

(Actions: All Member Banks, SLBC)

X. Market Intelligence Issues

(i) Unauthorised lending in FINTECH

Banks were advised to report any unauthorized digital lending extended by unscrupulous lenders/ mushrooming of unauthorised fintech noticed by them. SLBC was requested to advise all LDMs to discuss this aspect in DCC meetings and submit feedback for discussion in SLBC.

(Actions: SLBC, All LDMs)

X. Currency Management Issues

- (i) A decision had been taken during 157th meeting of SLBC held on May 30, 2022 and 158th meeting of SLBC held on September 15, 2022 to constitute a sub-committee of SLBC to discuss various security related aspects in currency management. ACS (Home), GoK has also nominated an officer (of the rank of ADGP) to chair the proposed committee. SLBC was advised to expedite constitution of the sub-committee.

(Action: SLBC)

- (ii) In respect of complaints received from RBI relating to non-acceptance of ₹10 denomination coins by members of public:

- a. Banks were advised to ensure that all their branches prominently display a board indicating availability of notes and coin exchange facility for information of general public.
- b. State Govt. was requested to issue necessary directions to the District Collectors to create awareness regarding acceptance of ₹10 coins by public / traders giving thrust for acceptance of ₹10 rupee coins. Non-acceptance of coins for transactions / payment was also an offence and the district authorities could consider taking suitable action in this regard.
- c. LDMs were advised to discuss this aspect in DCC / DLRC meetings. LDMs in the State of Karnataka were also advised to actively engage with the regional heads of all banks in their respective districts and ensure wider dissemination of information on above aspects in all the bank branches and currency chests. They may also suitably take up such instances of non-acceptance of ₹10 coins by public / traders, as and when noticed, with the district authorities.

(Action: All banks, LDMs, State Government)

AGENDA 12: NABARD AGENDA:

Agenda 12.1- Support to Government of Karnataka under RIDF

NABARD informed that it has been supporting GoK for creating rural infrastructure covering Agri and allied sector, rural connectivity and social sector including drinking water projects thereby improving the standard of living for the rural populace which has a multiplier effect on

India's overall economic development. The sector wise details of support extended so far are given below:

Sector Wise RIDF details (Tranche I-XXVII) as on 15.08.2022

(Rs. Crore)

Sn	Name of the Sector	No. of projects	Total Financial Outlay	Loan Sanctioned	Amount Disbursed
1	Agriculture and allied projects	5611	2030.61	1882.67	1283.78
2	Social sector projects	23137	6059.59	4703.64	3022.39
3	Irrigation projects	5584	5188.26	4356.95	3563.49
4	Rural roads and bridges	12885	8207.09	6687.51	5974.74
	Total	47217	21485.55	17630.77	13844.4

Agenda 12.3: Reporting of KCC data of other banks under RRBS/Cooperative banks in the portal.

KCC data in respect of RRBs and other private sector commercial banks is being included under the cooperative banks and this is leading to high pendency under the DCCBs. As this is being reviewed at the highest level by DFS, GOI, LDMs may be instructed not to report data pertaining to other banks under DCCBs. Also, district level meetings to review pendency in KCC/status of KCC implementation may be conducted regularly.

NABARD informed the house that for interest subvention for KCC crop loan should be claimed through JAN Samarth Portal only. NABARD informed that while reporting KCC data for RRBs it should be reported under their sponsored bank only.

(Actions: All Banks)

Agenda 12. 4: AMI Subsidy Scheme

Agriculture Marketing Infrastructure (AMI) scheme has been extended by Government of India up to 31 March 2023. Banks are requested to popularize the scheme and encourage potential beneficiaries to avail benefit of the schemes.

(Actions: All Member Banks)

Agenda 12. 5. Financial Inclusion Fund

1. Grant support is available for various schemes under Financial Inclusion Fund (FIF) from NABARD. The target allocated during the current year for sanction and disbursement are Rs.10.24 crore and Rs.8.52 crore respectively for the State of Karnataka.
2. The various schemes supported under FIF for which Banks can claim grant support are as under:
 - a. Conduct of Financial and Digital Literacy Campos by rural branches of Banks.
 - b. Reimbursement of Examination fee of BC/ BF
 - c. Deployment of micro ATM by SCBs in schools and colleges in Special Focus Districts and in milk societies in all districts

- d. Deployment of PoS/mPoS terminals in Tier 3 to Tier 6 centres
 - e. VSAT deployment in sub-service area (SSA) of the Bank for new branches opened and for kiosk/fixed CSP
 - f. Mobile signal booster deployment in SSA of Bank for new branches opened and for kiosk/fixed CSP
 - g. Installation of solar power unit/ UPS deployment in SSA of Bank for new branches opened and for kiosk / fixed CSP
 - h. On boarding to Positive Pay System (PPS) (Applicable for RCBs only)
 - i. Handheld Projector with Battery, Screen & Speaker per FLC/rural branch
3. The grant support available is 90% of the eligible expenditure incurred by the Bank for Special Focus Districts and 60% for other districts subject to scheme-wise ceiling as per our Circular No.105 dated 23.04.2019.

Agenda 13 Agriculture Department Agenda:

Agenda 13.1 Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS):

Season wise insurance claims settlement status under PMFBY and RWBCIS

Agriculture Department, GoK informed that there is pending claim of Rs 120.75 crores from Kharif 2018 to Kharif 2022 seasons and out of which, 86.29 Cr from Kharif 2022 only. There is huge claim amount of Rs 2.85 Crore is pending with ICICI Bank. SLBC requests Department of Agriculture, GoK to advise ICs settle the pending claims at the earliest.

There is pending claim of Rs 42.86 crores from Kharif 2018 to Rabi 2022 season for RWBCIS. It is advised to inform the pending insurance amount with respect to bankers' issues alone.

(Actions: ICIC bank & All Member Banks)

13.2. Multiple enrollment of farmers in PMFBY Kharif 2019 and Rabi 2019–20 Seasons on same e-Aadhaar enrollment number and not actual Aadhaar resulting in non-payments of claims:

ICICI Bank had enrolled farmers under PMFBY in 2019-20 using the same e-Aadhaar enrollment number (which is tantamount to dishonesty) or not entering the actual Aadhaar number, thereby violating paragraph 6.3 of Pradhan Mantri Fasal Bima Yojana operational guidelines.

Notwithstanding the illegality of the action in doing so and violation of PMFBY guidelines, since Samrakshane portal allows as per the policy of Government of Karnataka, to pay the claims through Aadhaar based DBT transactions only, in all these cases farmers have been denied their claims for no fault of theirs, but only because of the acts of commission/omission by ICICI bank.

ICICI Zonal Head was informed to ensure the correctness and the authenticity of the Aadhaar numbers of the insured farmers, update the details on the portal and submit to Agriculture Department office the details along with the list of application numbers, name of the insured farmer, year and season. But till date in spite of many reminders and letters the said bank has not completed the process of updation of the Aadhaar details on Samrakshane Portal. Year wise proposals pending for approval by the bank

It is requested that the SLBC direct the Bank to take immediate action to approve the details in the portal thus facilitating the speedy settlement of claims. Year wise, season wise details pending to be validated in portal by ICICI Banking Corporation Bank Ltd

Year/Season	Number of Proposals	Claims in Rs.
2019-20 Kharif	625	17371468.01
2019-20 Rabi	235	4785675.07
2019-20 Summer	17	247923.46
2020-21 Kharif	297	6128821.32
Total	1174	28533887.86

SLBC requested the member Banks and specially ICICI Bank to take immediate steps to approve the details in the portal thus facilitating the speedy settlement of claims.

(Actions: All Member Banks)

AGENDA 14

14.1 . Crop Loan Waiver Scheme -2018

Internal Audit of the CLWS-2018 accounts by the implementing banks

FDFR GoK has addressed a letter to CLWS Special cell, GOK, to place internal audit guidelines in the portal to enable the member banks to complete the internal audit. CLWS Cel, GOK to confirm having placed the audit guidelines in the portal. All the member banks are hereby requested by SLBC to abide by the guidelines and time schedule. It is advised to remove the subject agenda by department for the ensuing SLBC meeting.

(Action: All banks, CLWS cell)

14.2: Fisheries Loan Waiver Scheme:

Directorate of Fisheries in Karnataka informed that, an amount of Rs. 49.00 crore was released to implement the scheme and Rs. 48.99 crore has been utilized. During 158th SLBC meeting the department informed the house that they have received some more applications for waiver and the same is in the process. Convenor informed to house that Department has to update the house regarding Fisheries Loan waiver scheme. It is advised to remove the subject agenda by department for the ensuing SLBC meeting.

(Action: All banks, Fishery Department)

AGENDA 15. Banking statistics as on 30th September 2022:

Convenor presented the Banking Statistics on Deposits, Advances, CD Ratio, total PSA, Advances to MSE/ Agriculture/ Weaker Section in the State of Karnataka as on December 2022.

There is a Y-o-Y growth of 8.51% in Deposits and 16.32% in Advances. CD ratio of the state as on 31.12.2022 is 75.22.

The level of PSA in the State has increased from Rs. **367325** crores as of December 2021 to Rs.**374328** crores as of December 2022 showing an absolute growth of Rs. **43163** crores and percentage growth of **13.03%** on Y-O-Y basis.

Agricultural advances have increased from Rs. **177458** crores as of December 2021 to Rs. **180762** Crores as of December 22, showing an increase of Rs. **19791** crores (12.29%) on Y-O-Y basis.

The outstanding level under MSME has increased from Rs. **130507** Crores as on December 2021 to Rs. **137145** Crores as on December 2022 an absolute growth of Rs**19612** crores i.e., growth of 16.69% on Y-o-Y basis.

The Convenor requested member banks, LDMs to give more focus on priority sector lending (Agriculture, Housing & MSME sector) to further improve the disbursements under PSA and ensure reporting as per revised classification of PSA and MSME.

(Action: All banks, all LDMs)

15.2: Branch Network:

Convenor informed the house that the number of bank branches has increased from 11750 as on 30.09.2022 to 11878 as on 31.12.2022 thus showing an increase of 128 branches on Q-o-Q basis.

15.3 Status of Rural Bank Branch closure/merger/relocation:

District name	Bank name	Merging Branch /Relocation	Acquiring Branch	Distance between branches	Remarks
Kolar	Kotak Mahindra Bank	Byrakuru Branch	-	250 m	Closer of Branch
Kolar	South Indian Bank	Shifting of Alambadi branch	to Malur		Shifting of Branch
Hassan	Karnataka Bank	Bikkodu	Bikkodu	300m	Shifting of branch
Hassan	Union Bank of India	Doddamandiganahalli	Hassan	1.3kms	Shifting of branch
Hassan	State Bank of India	Kirisave	Hirisave	2 kms	Shifting of branch

The house discussed and advised SLBC to take up the matter in the next SLBC.

(Action: Kotak Mahindra Bank, South Indian Bank, Karnataka Bank, UBI & SBI)

15.4: ATM Network:

Convenor informed the house that total number of ATMs as on 31.12.2022 is 17308 against 16987 as at 30.09.2022, thus showing a increase of 321 ATMs.

Agenda 16: Progress under Aadhar seeding of operative CASA a/cs:

Convenor informed that percentage of Aadhaar seeding was 88.8 as on 31.12.2022.

Convenor requested all member banks & LDMs to sensitize the branches and to arrange for further improving Aadhaar seeding to facilitate more and more Aadhaar based online DBT credits and popularize digital banking particularly in two aspirational districts of Raichuru and Yadgir and also in Haveri district as it was selected for digitalization.

(Action: All Member Banks & LDMs)

16.1: Progress under Aadhaar seeding in PMJDY a/cs:

Convenor informed that percentage of Aadhaar seeding was 78.27% as on 31.12.2022 in PMJDY a/cs. Convenor requested, all member banks to encourage customers of new PMJDY and existing PMJDY accounts for Aadhaar and mobile seeding.

(Action: All Member Banks)

16.2: Progress under Social Security Schemes:

Convenor informed the House that the performance of banks in PMSBY, PMJJBY and APY (1.64%, 3.84% & 7.21 % growth over September quarter 2022) as on December 2022. SLBC requested all the banks to give focused attention to extend the benefit of all these social security schemes to all eligible customers in their area of operation on a campaign mode.

Convenor also requested all the banks to create awareness through FLCs, BCs and facilitate achievement of INSURED and PENSIONED INDIA goal.

(Action: All Member Banks and LDMs)

AGENDA 17: Government sponsored schemes

17.1. Performance under Govt Sponsored Schemes for the FY 2022-23:

Convenor informed the house that Performance under PMEGP & NRLM is satisfactory as compared to other Government Sponsored schemes.

Performance under schemes sponsored by Dr.B R Ambedkar Development corporation Ltd and Dr. Babu Jagjivanram Leather Industries Dev. Corp and other corporations are yet to take off as targets are recently communicated / yet to be communicated..

(Action: Concerned Department-GoK, Member Banks and LDMs)

17.2: PMEGP:

Convenor informed the "Bank wise progress under PMEGP as on 31.12.2022 both in first dose and second dose and requested member banks to clear the pending applications which helps in generating more job opportunities.

(Action: Member banks,)

17.3 CREDIT FLOW TO MINORITY COMMUNITIES:

17.3.1: Progress under finance to Minority Communities in the state:

Convenor informed the house that outstanding loans to minority communities was Rs. 37181Crores as on 31.12.2022.

SLBC requested all Banks to achieve mandatory requirements under PSA lending to weaker sections in their ACP targets during FY 2022-23 by sanctioning maximum loans to minority community in Karnataka state.

SLBC also requested Minority Development Corporations of all districts to sponsor applications of all eligible minorities and take up the issues if any with SLBC through Lead District Managers.

(Action: ALL Banks, LDMs & Minority Development Corporation-GoK)

17.3.2: Progress under finance to Minority Communities in the identified districts of state:

Convenor informed the house that the flow of credit to minority communities in all the three minority community concentrated districts were Rs. 915.78 cr in Bidar District, Rs. 1127.34 cr in Kalburgi District, and Rs. 7749.30 cr in Dakshina Kannada District.

SLBC requested Lead District Manager of Bidar (SBI) and Kalburgi (SBI) districts and Dakshina Kannada District (Canara Bank) to advise branches for more Credit flow to Minority Communities for the FY 2022-23.

(Action: LDMs Bidar , Kalburgi , Dakshina Kannada District and All Member banks)

17.4: Grant of Education Loans:

Convenor informed the house that during the review period (01.04.2022 to 31.12.2022) of the FY 2022-23, various banks in the state of Karnataka have disbursed Education loans to the tune of Rs 1543.77 Crores to 59090 accounts under both priority and non-priority segments. SLBC requested the member banks to sanction more number of education loans to all eligible and deserving students and reach the targets for FY 2022-23.

(Action: All Member Banks)

17.5: Progress under SHG-Bank linkage/ Joint Liability Groups:

17.5.1.: SELF HELP GROUPS:

Convenor informed the house that, Credit Linkage to SHGs up to December 2022 for FY 2022-23 is Rs. 7981.37 crores.

The house requested member banks to examine properly while disbursing/processing the credit to SHGs.

(Action: All Member Banks)

17.5.2: JOINT LIABILITY GROUPS:

Convenor informed the house that, total outstanding as on 30.09.2022 was Rs. 11449.76 crores and also requested member banks to focus on SHG/JLGs and achieve allocated targets.

(Action: LDM & All Member Banks)

17.6: Progress in Stand Up India scheme as on 31.12.2022

Convenor brought to the notice of the house that, as on December 2022 banks have sanctioned an amount of Rs.311.03 crore under SUI. Convenor requested all the member Banks to implement the scheme in a big way in the State by taking advantage of the publicity and marketing done during credit outreach programme in the state and advised banks to concentrate more on sanctioning of loans under Stand Up India scheme to SC, ST & Women beneficiaries.

Further member banks are requested to share the outstanding as at end of each quarter, henceforth.

(Action: All Member Banks & LDMS)

17.7: Progress in Sanctions under MUDRA scheme:

Convenor informed the house that member banks have sanctioned 3231360 MUDRA loan accounts amounting to Rs. 21967.04 Cr from 01.04.2022 to 31.12.2022.

Convenor informed that Karnataka state has secured 3rd position with respect to MUDRA loan sanctions and disbursements in the country with the active participation of all member banks and support from line department and requested to reach the 1st position by end of the fourth quarter of the current financial year by sanctioning good number of quality proposals..

(Action: All member Banks)

17.8 Progress under PMFME scheme:

Convenor informed the house that Karnataka state has secured 3rd Place in PAN India and banks have sanctioned 724 number of applications as on 31.12.2022 in respect of target of 3871 for FY 22-23.

(Action: All Member Banks, LDMS, Special officer of PMFME, Agricultural department-KAPPEC)

AGENDA 18: Position of NPAs in respect of schematic lending, certificate cases and recovery of NPAs

18.1: Non-Performing assets position as on 31.12.2022:

Convenor has informed the house that total non-Performing assets position as on 31.12.2022 was 51089.80 crore.

(Action: Member Banks)

18.2: Recovery of bank dues under PMEGP:

Convenor informed the house that under PMEGP share of NPA was 21.10% and requested the concerned depts. to extend necessary support to banks for recovery.

The Additional Chief Secretary & Development Commissioner advised the member banks to share complete details of NPA under PMEGP with KVIC which can help the member banks in recovering NPA accounts under PMEGP, as NPA percentage is very high in this scheme.

(Action: KVIC, KVIB & DIC department and Member Banks)

18.3: Recovery of bank dues under KPMR & KACOMP Acts:

Convenor requested the departments and the banks to arrange more and more joint recovery drives in association with Revenue Officials to improve recovery in RC filed cases. SLBC also advised LDMS to coordinate the joint recovery drives in a big way.

(Action: Revenue Dept. & All LDMS and Banks)

18.4 Recovery of bank dues under SARFAESI, DRT & LOK ADALATS Acts:

Convenor informed the house that, from 01.04.2022 to 31.12.2022, 156084 Notices were sent for the amount involving Rs. 1228541 lakhs and recovered 93256 lakhs.

(Action: ALL Member Banks & GoK)

AGENDA 19: REVIEW OF RESTRUCTURING OF LOANS IN NATURAL CALAMITY AFFECTED DISTRICTS IN THE STATE, IF ANY

Convener SLBC informed that, Government of Karnataka had not issued any notification on either flood or drought during the quarter, hence Member banks have not restructured any accounts in connection with flood and drought.

(Action: ALL Member Banks & GoK)

AGENDA 20: Promotion of Organic Farming -:

Agriculture department informed that, Joida taluk of Uttara Kannada district is selected as Organic farming taluk for implementation.

Convenor informed to house that Agricultural Department had conducted on State level meeting in Joida taluk of Uttara Kannada district on 16.04.2022 regarding implementation of organic farming in Joida. We request Agricultural Department to provide action plan/road map for implementation at banks level.

(Action: All Member banks & Agriculture Department GoK)

AGENDA 21: Integration of FRUITS (Farmer Registration & Unified Beneficiary Information System) with Banks

SLBC Convenor informed the house that FRUITS Portal is rolled out across the state with the effect from 01.11.2021 and all SROs of made live implementation of FRUITS portal.

(Action: all banks)

AGENDA 22: ISSUES REMAINING UNRESOLVED AT DCC/DLRC MEETING

Convenor informed that, SLBC has not received any unresolved issues from the LDMs.

Convenor requested the controlling heads of member banks to advise their bank managers, district coordinators to attend all BLBC, DCC & DLRC meetings without fail.

(Action: LDMs & LDM State controlling office of Banks, Canara Bank, SBI, UBI, BOB and all other banks)

AGENDA 23: SUB COMMITTEE MEETINGS HELD DURING THE REVIEW PERIOD:

Convenor informed the house sub-committees on Retail loans, Recovery & Rehabilitation and Govt. Sponsored Schemes and Review of functioning of RSETIs & RUDSETIs meeting for September and December 2022 were not conducted. Convenor requested the member convener banks to conduct above meetings immediately and share the minutes.

Convenor requested all the SLBC Sub-committee convenors to conduct meeting regularly, without any delay, so that SLBC can place the proceedings of sub-committees in SLBC meeting.

(Action: Convenors of all SLBC Sub-Committees, Canara Bank, SBI, UBI, BOB & State Director for RESETIs, Karnataka)

AGENDA 24: Atma Nirbhar Bharat Abhiyan

24.1: ECLGS for Existing MSME borrowers during COVID-19 situation:

It has informed by NCGTC, GoI vide their letter 1404/NCGTC/ECLGS dated:30.03.2022 regarding duration of Emergency Credit Line Guarantee Scheme (ECLGS) has been extended up to March 31,2023 or till guarantees for an amount of Rs 5,00,000 crore are issued (taking into account all components of ECLGS), whichever is earlier.

Convenor informed to house that member Banks have sanctioned 423536 accounts with amount of Rs 21267.77 crore. under ECLGS scheme against total eligible amount of Rs 32179.03 crore as on 30.09.2022.

Convenor SLBC requested all member banks to sanction all pending applications and disburse all sanctioned loans.

(Actions: DIC and All Banks)

24.2: PMSVANidhi scheme:

Convenor, SLBC informed that Lending under the PMSVANidhi scheme is extended till December, 2024. Credit Guarantee and Interest Subsidy claims on all loans will be paid till March 2028 and keep a minimum repayment period of six months for 2nd loan to be eligible for the next cycle of loan with an enhanced limit.

Convenor also informed that under PMSVANidhi scheme Karnataka state sanctioned 233208 and total disbursement is 197239.

Various review meetings were conducted by MoS Finance, ACS & DC, GoK with LDMs and Member banks and state line departments in coordination with SLBC.

(Action: NULM, GoK and ALL Member Banks & LDMs)

24.3: New Loan Scheme proposed for artisans by GoK

Convenor, SLBC informed that Commerce and Industries Department, GoK has proposed the subject scheme for artisans. The loan amount will be Rs.50,000/- with a subsidy of Rs.15,000/-. SLBC has already shared the draft scheme guidelines with member banks. Convenor requested all member banks to offer their views in order to communicate the same to GoK..

(Action: All member banks)

AGENDA 25: Other Issues

25.1. Implementation of Kannada language by Banks.

All member banks and LDMs are requested to ensure:

1) Availability of account opening forms, loan applications, challans etc., in Kannada language in the branches.

2) Use Kannada language in bank ATMs, BNAs, Sign boards, letter heads, bank/branch seal and in Rsetis/Rudsetis and FLCs.

LDMs are requested to ensure the above said aspects in DLRC, DCC and BLBC meetings with district coordinators of banks and bank branch Managers.

The state controlling office of banks has to advise their Regional Managers/Regional officer/Districts coordinators for extending necessary support to LDMs for creating awareness programme to degree colleges for taking banking exams.

SLBC request member banks to ensure imparting Kannada language training to non-Kannada employees. Further, banks are requested to inform the number of training so conducted to SLBC on quarterly basis.

(Action: All Member Banks, LDMs)

25.2: Special Agenda on Saturation drive on Jan Suraksha Schemes:

Convenor informed that, based on the speech made by Hon'ble Prime Minister, on the day of independence of 2021", a campaign is being initiated for enrolment of persons eligible under the three schemes namely PMJJBY, PMSBY. Campaign commenced from 02.10.2021 and for achieving saturation enrollment under each of the PMJSS schemes of the unenrolled accounts by 30.09.2022.

As per DFS letter ref F.No.M-18012/1/2020 dated 20.04.2022 DFS has revised timeline from 30.09.2021 to 30.09.2024. All member banks and LDMs are requested to take suitable action to ensure that the targets fixed for enrolment of identified eligible PMJDY account holders and PMMY beneficiaries are achieved well within the revised timelines. The timeline for achieving the targets is as follows:

Period	Target to Achieve
Upto Sep 2022	40 % of total target
Upto Sep 2023	70 % of total target
Upto Sep 2024	100 % of total target

The timeline for saturation drive in respect of opening of PMJDY accounts remains unchanged. Data pertaining to the targets and achievements during the saturation drive shall continue on weekly basis by the Banks. SLBC request the banks to take initiatives in this regard at the earliest.

(Action: All Member Banks & LDMs)

Agenda 25.3: Activities under Azadi ka Amrit Mahotsav (AKAM) in Karnataka state

Convener SLBC informed that, GOI, India is celebrating 75 years of independence "Azadi ka Amrit mahotsav (AKAM)" which commenced on 12th March 2021 marked a 75-week countdown to the 75th Anniversary of our Independence on 15th August 2022 and will continue for a year thereafter, till 15th August 2023. The whole program has been categorized under iconic, non-iconic (anchor and non-anchor) and media campaign / activity.

Ministry of Finance has allocated iconic months, and the iconic activities have been conducted during those months. In this connection, DFS has advised us as under:

1. All the public sector banks in the state have to identify 75 branches for opening 75 Jandhan accounts.
2. Provide 75 micro insurance in the state
3. Sanction 75 KCCs, 75 Mudra Loans, loans to 75 women entrepreneurs, 75 SC/STs, 75 PMSVANidhi loans, 75 education loans etc during iconic week in the state.

(Action: All Member Banks & LDMs)

25.4: Performance by Banks under Annual Atal Pension Yojana (APY) Targets during FY 2022-23: (from 01.04.2022 to 31.12.2022)

Convenor informed the house that, Karnataka has achieved 71% of APY target set by PFRDA during FY 2022-23 up to 31.12.2022.

Major Banks (All PSBs and 4 Private banks i.e. ICICI Bank, AXIS Bank, HDFC Bank, IDBI Bank) achieved 62% target, Private Banks achieved 51% target, RRBs achieved 109% targets.

Convenor informed that, all Banks have to achieve allotted targets during FY 2022-23 by mobilizing more number of APY applications.

(Action: All Member Banks and LDMS)

25.5: Status of Aadhaar Enrolment Centers in banks in the State:

Convenor informed that, UIDAI, Bangalore had informed that as on 31.12.2022, 727 kits were active with 203974 enrolments/updates in the last 30 days against 823 active kits with 236267 enrolments/updates in the last 30 days as on 31.12.2022.

Convenor informed that, all Banks should improve the enrolments and carryout maximum enrolments/updates. SLBC also requested all Member Banks to give more focus for enrolments/updates in Raichur & Yadgir districts.

(Action: ALL member Banks)

25.6: Expanding and Deepening of the Digital Payments Ecosystem:

Convenor informed to house that the RBI advised SLBC Karnataka to identify new digital districts in consultation with stakeholders and prepare a time bound action plan for 100% digitization of the concerned districts.

SLBC request member banks to identify few more districts to implement digital deepening.

AGENDA 26: Skill development:

26.1: RUDSETI / RSETIs

Convenor informed that there are 7 RUDSETIs and 24 RSETIS are functioning in Karnataka state as on 31.12.2022

26.2: Status of RSETIs / RUDSETIs as on 31.12.2022 reported by sponsor Banks is as under:

Convenor informed the house that total number of training programmes conducted were 747 against the target of 855 as on 31.12.2022.

26.3 Functioning and performance of RUDSETI (7) / RSETI (26) in Karnataka state

Convenor informed to house that number of trained persons were 18937 and number credit linked out of said training were 3083 during financial year 2022-23 as on December 2022

All member banks were requested to arrange for credit linkage to all RUDSET/RSET trained candidates to foster self-employment and also to arrange for awareness programmes to migrant labours in each district in coordination with the District Labour Offices for the awareness programmes conducted by RSETIs.

Convenor, requested RSETIs to show improvement in conducting more credit awareness programmes.

(Action: State Director of RSETIS/RUDSETIS, Convenor-SLBC Sub-Committee on RSETIS & Dept. of Skill development- GoK)

26.4. CB RSETI Ballari - Allotment of 1.11-acre land to The Director, CBRSETI, Ballari on 33 years lease basis:

The District administration of Ballari District had allotted the land of 1.11 acres in TS No.1084/2b, near Bandihatti village, Ballari in the name of "The CEO, ZO, Ballari" instead of "The Director, CB RSETI, Ballari". As per the guidelines of MoRD, the land should be allotted in the name of "The Director, RSETI" whereas the land is allotted in the name of "The CEO, ZP" at Ballari.-At present the same is under court dispute.

During the last DLRAC meeting, district administration assured the institute for alternate land allotment for RSETI building construction. Subsequently RSETI Ballari requested to The CEO, ZP, Ballari vide its letter dated 28.07.2022 to allot the land of at DIC compound only as DIC is not utilizing the land.

Convenor informed that, Tahasildar Ballari Taluk has recommended allotment of 1.00 acre of land for RSETI building construction. SLBC requested the state Government to initiate the steps at an early date.

(Action: Skill Development Department GoK)

26.5 Providing add-on services through Toll Free Desk for addressing Public

The total no. of calls received at the Helpdesk from April 2022 to Dec 2022 is 8388

All member Banks are requested to popularize this Toll Free Number among their customers.

(Action: All Member Banks and LDMs)

Table Agenda: -

1. Digital Payment Campaign during G20 Presidency: -

MeitY has launched a comprehensive Digital Payment Campaign during India's G20 Presidency from 01.12.2022 to 30.11.2023 throughout the state to further increase digital payments in the country.

It is further informed that this can be a success only by joint efforts by all the members of the ecosystem including Payment Service Providers and Government Organizations by providing all the merchants and citizens with convenient digital payment options.

SLBC requested all member Banks to actively participate in this campaign and submit monthly report to SLBC for onward submission to RBI Bengaluru on the activities conducted in the campaign.

(Action: All banks)

2. Relaxation in CIC Norms while sanctioning the Crop loan to farmers:

Convenor informed to house that SLBC has received many representations from the farmer unions/associations stating that many banks are not sanctioning agriculture loan to the

farmers due to various CIBIL issues. They have requested for waiver of the same. SLBC requested member banks to consider farmers request wherever CIC score has come down due OTS done by Banks and government driven debt waiver schemes. Bankers to view the same sympathetically and relending also should happen as per bank guidelines.

(Action: All banks)

3. Addition of FINO Payments bank as SLBC member:

Convenor informed the house that SLBC has received representation from FINO Payments banks for SLBC membership. The House permitted to include FINO payment bank as SLBC member.

(Action: SLBC, FINO Bank)

4. Consideration amount to be entered in proportion of land extent or as part of total amount (part amount out of total loan amount) on multiple land parcels selected for loan application:

E-governance Department, GoK had given one table agenda for the SLBC for deliberation of following points.

- Farmers take loan from various banks and cooperative financial Institutions.
- Encumbrance and charge is created for the loan amount in SRO and RoR.
- This process has been digitized and being done electronically in a contact less and cashless manner through integration of Banks, FRUITS, Kab=very and Bhoomi.
- It is observed that when farmers take loan on multiple lands (survey numbers) through a single loan application, total loan amount is entered in each of the land record. This in a way misleading and implying as if more loan is taken by the farmer and is liable for it.
- Now that FRUITS is being integrated with Jan Samarth, NABARD and some of the banks directly, the liability is shared electronically. This depicts higher liability on the farmer.
- It is suggested/ required that liability on each land record is created in proportion of extent of land/ crop for which loan is sanctioned. Alternatively, it can be entered as "part of the total loan amount.
- Banks shall be advised to divide the loan as per land extent and create encumbrance/ charge accordingly.

Member banks informed the house that it requires brain storming as it involves legal issues, ACS DC requested SLBC and E-Governance department to conduct meeting with all member banks.

(Action: e – Governance Dept, GoK, All banks)

**SLBC – KARNATAKA
LIST OF PARTICIPANTS
160th SLBC Meeting held on 14.02.2023**

Sl. No.	Name Shriyuths -	Designation	Organization
1	Mrs. Vandita Sharma	Chief Secretary	Govt of Karnataka
2	Sri. Ramana Reddy E V	Additional Chief Secretary & Development commissioner	Govt of Karnataka
3	Mrs. Shalini Rajneesh	Additional Chief Commissioner	Planning & Youth Department GoK
4	Mr V Ponnuraj	Additional Chief Secretary	E Governance Dept.GoK
5	Mr. P N Raghunath	O-I-C, & Chief General Manager	RBI, Bengaluru
6	MS Sunanda Batra	General Manager	Reserve Bank of India
7	Sri. Hardeep Singh Ahluwalia	Executive Director	Canara Bank
8	Sri. T Ramesh	Chief General Manager	NABARD
9	B Parshwanath	Convenor- SLBC & DGM	Canara Bank
CONVENOR – Canara BANK			
10	Preveen M P	Assistant General Manager	Canara Bank
11	T S Vasudevatachar	Divisional Manager	Canara Bank
12	Amol R Akolkar	Manager - SLBC	Canara Bank
13	Anup kumar	Manager - SLBC	Canara Bank
14	Manoj Kumar Sinha	Manager- SLBC	Canara Bank
15	Vidya M	Manager- SLBC	Canara Bank
16	Kavitha T K	Officer - SLBC	Canara Bank
17	Ankur	Officer - SLBC	Canara Bank
MEMBER BANKS AND STATE GOVT DEPARTMENTS			
18	Debananda saho	Chief General Manager	Canara Bank
19	Anand	Senior Manager	Canara Bank
20	Anurag Joshi	General Manager	State Bank of India
21	M Arunagiri	Deputy General Manager	State Bank of India
22	Rajesh Gupta	Deputy General Manager	State Bank of India
23	Subramanya	Assistant General Manager	State Bank of India
24	Ritesh Kumar	Deputy General Manager	Bank of Baroda
25	Venkatesh	Senior Manager	Bank of Baroda
26	G Nanjundappa	Deputy General Manager	Union Bank of India
27	Sandeep Dharkar	Deputy General Manager	NABARD
28	Jiksy Raphael	Assistant General Manager	NABARD
29	S K Sharma	Assistant General Manager	Punjab National Bank
30	Nagraj S	Deputy General manager	ICICI Bank
31	Sampath Kumar	Vice president	Yes Bank
32	Shakeel Ahmed	PD FRUITS JDH	Horticulture/ E Governance
33	Manku Bhattacharjee	State controllers	ICICI Bank
34	Sri. Shivshankar	Managing Director	RGHCL
35	Babu S	Assistant General Manager	State Bank of India
36	All member banks , all state govt departments & LDMs		Through VC



