

# **STATE LEVEL BANKERS' COMMITTEE KARNATAKA**

## **PROCEEDINGS OF THE 156<sup>th</sup> SLBC MEETING HELD ON 02.03.2022**

**CONFERENCE HALL,  
Room NO 122, Vikasa Soudha,  
BENGALURU – 560001**

**(Through VC)**

**CONVENOR**



**HEAD OFFICE: ANNEXE, BENGALURU**

**STATE LEVEL BANKERS' COMMITTEE: KARNATAKA**  
**CONVENOR: CANARA BANK**  
**MINUTES OF THE 156<sup>th</sup> SLBC MEETING and BANKING STATISTICS AS ON 31<sup>st</sup>**  
**DECEMBER 2021 HELD ON 02.03.2022**

The 156<sup>th</sup> SLBC meeting of the state of Kanataka was held on 02.03.2022 at 3.00 PM at Conference Hall, # 122, Vikasa Soudha, Bengaluru under the Chairmanship of Sri. P Ravi kumar, Chief Secretary, GoK and attended by Smt.Vandita Sharma, ACS & DC, GoK, Sri. A Muralikrishna, Convenor-SLBC Karnataka. Sri R Gurumurthy, Regional Director, Reserve Bank of India, Sri Niraj Kumar Verma, Chief General Manager Sri. Brij Mohan Sharma, Executive Director, Canara Bank, , NABARD who 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. A Muralikrishna, Convenor** welcomed Shri P Ravi Kumar, Chief Secretary, GoK, Smt. Vandita Sharma, ACS & DC, GoK, Sri.R Gurumurthy, RD,RBI , Shri Niraj Kumar Verma, CGM, NABARD, Sri. Brij Mohan Sharma, Executive Director, Canara Bank. and all the dignotories, members, participants & invitees.

**Sri. Brij Mohan Sharma, Executive Director, Canara Bank**, in his key note address, once again welcomed all dignitaries for the meeting on the behalf of SLBC Karnataka and Canara Bank.

He informed that, Government of India had initiated a number of schemes under Athmanirbhar Bharat Abhiyan namely ECLGS 1.0 to ECLGS 4.0, PMSvanidhi first and second tranche, PM Formalization of Micro Food Processing Enterprises (PMFME) with ODOP-One District One Product concept. Agricultural infrastructure Fund scheme which aims to cover 10,000 FPOs, Support for post-harvest storage, AIF Animal Husbandry etc. He urged the bankers to achieve the target allotted under AIF, PMSVanidhi etc to contribute in big way in enhancing farmers' income and meeting the needs of the most vulnerable section of the society.

He further informed that, in order to ensure maximum coverage of farmers engaged in Animal Husbandry and Fisheries activities under KCC, the Government had launched a special saturation drive in the form of weekly "District-level Camp" for a period of 3 months w.e.f 8<sup>th</sup> November 2021 and he requested banks to archive saturation.

He happily informed the house that Karnataka state ranks 4<sup>th</sup> under Mudra and PMFME sanctions & disbursements and 5<sup>th</sup> position in case of PMSvanidhi scheme. He requested for a better performance in implementing 2<sup>nd</sup> tranche of PMSvanidhi in the Karnataka state.

He informed that FRUITS team, e-Governance, GoK in coordination with SLBC and NABARD has trained all the state nodal officers and bank master trainers and told that majority of the bankers have already on boarded to the FRUITS portal. Revenue Department, GoK has issued GO for sub registrar offices for implementation of FRUITS portal and GoK has made all SROs live for implementation of FRUITS Portal and with effect from 01.11.2021.

During the deliberations he shared the statistics of ACP target and achievements as under:

Total Priority Sector Advances (PSA) target for FY 2021-22 is **2,92,392 crores** and achievement during December quarter 2021 is **148958 crores (50.94%)**. Out of total PSA, Agriculture Achievement is **80176 crores (63.64%)** and MSE/MSME is **56279 crores (50.33%)**.

He was happy to share that Karnataka state has **achieved 1<sup>st</sup> rank among** south Indian states in sanctioning and disbursing PMEGP loans for the year 2020-21 and requested all the members to continue the same tempo during the current year.

Performance of Banks in Aspirational Districts namely Raichur & Yadgir identified by DFS under **Targeted Financial Inclusion Intervention Programme (TFIIP)** of Aspirational District Programme of NITI Aayog needs more focus at enrolling customers under PMJJBY & PMSBY schemes in order to achieve the overall Key Performance Indicators of DFS. He was of the opinion that , due to COVID 19 many bankers were unable to achieve the target and DFS has extended the date for completion to 31.03.2022. He requested all the bankers to achieve the target well within the dead line.

Haveri and Yadgir are newly identified districts for expanding and deepening of digital payments Ecosystems of RBI. He requested all the Stake holders & Bankers operating in these two districts in making district as **100%** digitally enabled under Savings accounts and Current accounts which was selected under **Expanding and Deepening of Digital Payments Ecosystem of RBI**.

He informed that, Hon'ble Prime Minister, on his Independence Day speech of 2021 announced that a campaign is being initiated for enrolment of persons eligible under the three schemes namely Jan Suraksha Schemes (JSS) viz. Pradhan Mantri Jeevan Bima Yojana (PMJJBY), for life cover, Pradhan Mantri Suraksha Bima Yojana (PMSBY) for personal accident cover and Atal Pension Yojana (APY) for pension. Campaign commenced from 02.10.2021 and for achieving saturation of enrollment under each of the PMJSS schemes of the unenrolled accounts by 30.09.2022.

GOI, India is celebrating 75 years of independence "Azadi ka Amrit mahotsav (AKAM)" which commenced on 12<sup>th</sup> March 2021 and will continue for a year thereafter, till 15<sup>th</sup> August 2023. The whole program has been categorized under iconic, non-iconic (anchor and non-anchor) and media campaign / activity.

In this connection, all the public sector banks have to

1. identify 75 branches in each state for opening 75 Jandhan accounts.
2. Provide 75 micro insurances.
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.

All the member banks are requested to actively participate in the programme. He requested member banks to keep the momentum of overall growth in business, with special emphasis on priority sector advances.

He once again congratulated Bankers and Govt. Departments for their untiring efforts during testing times and requested to take it forward and show glittering performance during the FY 2021-2022.

**Shri. R Gurumurthy, Regional Director, Reserve Bank of India, Bangalore** highlighted the following points:-

- 1. Non adherence to calendar for conducting DCC and DLRC meetings by LDMs.**  
Some of the LDMs are not adhering to the time lines for conducting DCC and DLRC meetings, specifically Koppal, Mysuru, Ramanagara, Udupi and Vijayanagara LDMs. He advised concerned banks to take note these as at present there are no COVID situation and banks need to think of as usual.
- 2. Gap in achieving ACP Target.**  
He informed the house that achievement of ACP Target under priority Sector for the financial year 2021-22 is only 51 % and needs to be geared up. As the things are normal and we have crossed the constraints (COVID) faced in past, he advised banks to move ahead to achieve ACP targets.
- 3. Study on credit offtake to MSME sector in India, conducted by RBI**  
RBI had conducted a study on credit off take by MSMEs. Study revealed that number of new MSME accounts opened by private Sector banks on all India basis has declined both exposure wise as well as account wise for the year ended March 2021. The report further highlighted effect of pandemic on MSME sector and requested the member banks to take note of it.

#### **Highlights of speech of Sri Niraj Kumar Verma, Chief General Manager, NABARD**

Sri Niraj Kumar Verma, Chief General Manager, NABARD informed the house that, in case of AIF last year Karnataka State achieved 1<sup>st</sup> position and now slipped to 3<sup>rd</sup> position. He highlighted that in other states commercial banks have taken lead and achieving good progress. He requested all commercial banks in Karnataka State to take lead in case of Agriculture Infrastructure Fund (AIF).

- He shared that, 1000 crores of dedicated fund has been set for credit guarantee to 10000 farmers produce organization across the country which will be housed in credit guarantee funds trust with NABARD under the trusteeship of NAB SANRAKSHAN private limited and it leads to credit worthiness of FPOs and its leads banks can lend handsomely to FPOs.
- He informed the house that digitalization of co-operative sector, PACS process has been initiated in coordination with NABARD as nodal agency and requested Karnataka state to stand first in digitalization amongst other states.
- GOI recently announced in its budget about Agriculture Tech Fund to be setup under NABARD and assured Karnataka will support Agriculture Tech Fund start-ups since GoK is torch bearers in the country for start-ups.

- Further he informed that NABARD has released State Focus Paper for the financial year 2022-23 on 12.01.2022. He also informed that this document will become the strategy paper and guide for effective planning for credit plan of next financial year to all the stake holders and SLBC to move forward for preparing Credit Plan of 2022-23.

#### **Highlights of speech of Smt.Vandita Sharma, ACS & DC, GoK**

##### **a).Housing**

In case of housing sector, even after series of meetings, banks are not coming forward to sanction loans except few banks like Canara Bank and BoB, In case of SBI the performance in housing is extremely poor.

The applications submitted by RGHCL is more than 27000 and sanctions are not even 10 %, around 2400 loans sanctioned. In case of slum development board proposals, submitted applications are about 8500 and out of which 2500 were sanctioned. She expressed displeasure about the banks performance and requested all the state heads of member banks to gear up further for sanctioning of loans under this scheme. She informed the house that after meeting with Hon'ble Chief Minister on 11.02.2021, banks assured to sanction loans within 3 to 6 months. But they have sanctioned around 5000 applications under RGHCL and SDBC put together.

**b).Athma Nirbhar Fund – (AIF & PMFME)** In respect of PMFME The target is 2680, applications submitted are 697, and sanctions are only 168.Rejections are 235. In-case of AIF, the sanctions by commercial banks are only 118, sanctions by cooperative bank are 885 as at 28.02.2022 that too In-spite of several meetings. She expressed her displeasure in respect of commercial banks performance.

**c).PMSVANidhi :** In case PMSVANIDH, ACS & DC advised the member banks that the PMSVANidhi aspirant customers should visit branch only once as they lose their daily earnings if banks call them repeatedly. She also advised the banks to re-examine all the rejected PMSVANIDH applications. She expressed her concern that banks are not financing 2<sup>nd</sup> time (2<sup>nd</sup> trench) to those who have repaid the first trench loan. . ACS & DC advised all the banks to sanction loans under PM SVANidhi as these borrowers are poorest of the poor and suffered a lot during COVID 19 pandemic times.

**d).Agriculture & MSME:** ACS & DC advised that all the banks sanctions should pickup under agriculture, kisan credit card and MSME. She advised to banks to give more concentration on sanctioning credit card to fisheries (fishermen & fisherwomen) and animal husbandry beneficiaries.

**Sri.P Ravi Kumar, Chief Secretary, GoK in his address whole heartedly thanked banking fraternity**

- He highlighted that, the CD ratio of Karnataka State is very poor compare with other southern State like in Andhra Pradesh 130 %, Telangana 109 % and Tamil Nadu 105 %, whereas Karnataka State is around 70% and advised banks to focus more on Lending.

- In case of achievement of ACP also performance is very poor in primary sector like agriculture, Housing, MSME and advised banks that, as the COVID constraints are gone, the banks are advised to pick up the lending activities.
- He advised the banks to focus on Union budget which was presented recently and also advised banks to lend to all sectors.

Subsequently **Sri A Muralikrishna, Convenor-SLBC Karnataka** has initiated and moderated agenda wise discussion by taking suggestions from departments & bankers and directions from the Chair.

#### **AGENDA 1.0: CONFIRMATION OF THE MINUTES OF 155<sup>th</sup> SLBC MEETING HELD 12.11.2021.**

The Minutes of 155<sup>th</sup> SLBC meeting held on 12.11.2021 circulated to all the member banks and Govt. departments. The minutes of the same approved.

#### **AGENDA 2.0: FOLLOW-UP ACTION ON THE DECISIONS TAKEN DURING THE PREVIOUS SLBC MEETING**

The action taken by the SLBC on various action points evolved during 155<sup>th</sup> were taken note of by the House, the details of which are as furnished below.

##### **2.01: Standardized system for direct flow of data from CBS of the member banks.**

Convenor, SLBC requested all banks to update the data in Revamped Portal after due comparison with the data for previous quarter/year before 10<sup>th</sup> of first month of next quarter.

**(Action: All Member Banks)**

##### **2.02: Integration of FRUITS (Farmer Registration & Unified Beneficiary Information System) with Banks**

Convenor informed the house that majority of banks have on boarded to the FRUITS portal and branches have started filling form 3 and mortgage through FRUITS portal (Detailed discussion part availed in agenda no 20).

**(Action: ALL Member Banks)**

##### **2.01a : TIMELY SUBMISSION OF DATA BY BANK, ADHEREING TO THE SCHEDULE OF SLBC MEETING**

Convenor informed that, as per the extant guidelines of RBI, SLBC has to collect and consolidate the data on various Agenda at quarterly intervals and SLBC has to submit the data within the time. Therefore he requested all banks to adhere to the time schedule and submit error free and consolidated data in time to keep up the time schedule (i. Adhere to the timeline, ii. Consistency of data and iii. additional information/reason in case of wide variations).

He once again requested banks to ensure to upload data by 10<sup>th</sup> of first month of succeeding quarter.

**(Action: ALL Member Banks)**

**2..01b: Allotting District and Block codes to Vijayanagara District.**

Convenor informed the house that, Vijayanagara district which is newly formed, the District codes and Block codes are not made available in LG directory. Due to this SLBC is collecting data of Vijayanagara district and Ballary district together as one district.

Convenor requested Department concerned, to allot the District and Block Codes to Vijayanagara District in the LG directory of GOI website.

CS advised the e-governance department and other respective State Department to take-up the matter for allotting district and block codes in LG directory of GOI website.

**(Action: e-governance and other concern State Govt Department)**

**AGENDA-3: Review of financial inclusion initiatives, expansion of banking network and Financial Literacy**

**3.1: Banking Outlets: Status of opening of banking outlets in unbanked villages, CBS-enabled banking outlets at the unbanked rural centres (URCs):**

Convenor informed the house that, Out of the 609 villages originally identified by DFS and allocated to various banks, all are presently covered by CBS enabled banking outlets there by making pendency NIL.

**3.2: Status of opening of Banking Outlets (Branch/BC) in unbanked villages within a radius of 5 KM from the village (Table agenda no 30):**

Convenor informed the house that, As per Jan Dharshak app and FI Plan portal, there are 9 unbanked villages within 5 km radius from any village in Karnataka as on 31.01.2022. SLBC has allotted those 9 villages to banks like Canara bank (1), SBI (6) and KGB (2) to appoint BC point and SLBC Karnataka has already updated BC allotment list in Jan Dharshak app.

SLBC had observed that in Jan Dharshak portal, there are 126 BC points out of 334 villages are wrongly marked in forest area, barren land and water body instead of building. SLBC has already requested 10 member banks to update correct location in the portal immediately.

Convenor informed that as of now we have received confirmation from Karnataka bank (7) and yet to receive conformation from BOB (8), CANARA (37), FINO payment bank (2), HDFC (1), IOB (1), KGB (35), SBI (35), UBI (9) and UCO (2).

The Chief secretary GoK advised member banks to complete this task **on or before 15.03.2022.**

Convenor SLBC also requested member banks to complete this task **on or before 15.03.2022** and update in Jan dharshak portal and confirm.

**(Action: Canara, SBI and KGB)**

**(Action: BOB, Canara Bank, FINO Payment, HDFC, IOB, KGB, SBI, UBI and UCO)**



**3.3: Status of opening of Brick and Mortar branches in villages having population of 5000 and more:**

Convenor informed the house that, Out of 210 villages initially identified, concerned banks have opened banking outlets in all allotted villages as per RBI Banking outlet definition contained in RBI Circular. No. BAPD.BC.69/ 22.01.001/2016-17 dated 18<sup>th</sup> may 2017.

**AGENDA 4: Financial inclusion Initiatives**

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

Convenor informed that, there are 306 inactive BCs as on 31.12.2021 and of which majority inactive of 146 from Bank of Baroda.

Convenor, SLBC 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.

The Chief Secretary GoK advised Bank of Baroda and other banks to activate the inactive BCs and HDFC bank promised for activation by December quarter.

**(Action: Bank of Baroda, HDFC Bank and ALL other Banks)**

**4.2: Financial literacy initiatives by banks.**

Convenor, SLBC requested SBI, UBI, BOB and BOI to appoint FL counsellors (20, 16, 3 & 1 FL Counsellors respectively) immediately and make these FLCs functional.

**(Action: SBI, UBI, BOB & BOI)**

SLBC requested all the sponsor banks to oversee the functioning of FLCs and also arrange for prompt and accurate reporting.

Convenor requested all member banks to utilize NABARD Financial Inclusion Fund (FIF) for conducting Financial and Digital Literacy Camps and get the reimbursement from NABARD on or before 31.03.2022.

**(Action: ALL Banks)**

**4.3: Status of Aadhaar Enrolment Centres in banks in the state:**

Convenor informed that, UIDAI, Bangalore has informed that as on 31.12.2021, 969 kits are active with 290278 enrolments/updates in the last 30 days against 952 active kits with 290157 enrolments/updates in the last 30 days as on 31.12.2021.

He also stated that as informed by UIDAI the Aadhaar enrolment centres of Banks like J & K bank, Tamil Nadu Mercantile Bank, Bandhan Bank Ltd, ESAF & RBL, Karur vysya bank, IndusInd Bank, Fincare small Finance Bank, Punjab & Sindh Bank, Central bank, Ujjivan Small Finance Bank, Equites small finance Bank, Lakshmi Vilas bank, YES Bank, & Punjab National Bank are performing less than minimum 8 transactions (enrolments/updates) per day per center against the revised target communicated by UIDAI w.e.f. 31.12.2021.



Convenor SLBC also stated that UIDAI has removed concept of minimum and maximum enrolment per day with effect from 14.10.2021.

SLBC requested above Banks to evaluate the reasons and arrange for necessary intervention to improve the enrolments per day per center.

**(Action: J &K bank, Tamil Nadu Mercantile Bank, Bandhan Bank Ltd, ESAF & RBL, Karur vysya bank, IndusInd Bank, Fincare small Finance Bank, Punjab & Sindh Bank, Central bank, Ujjivan Small Finance Bank, Equites small finance Bank, Lakshmi vilas bank, YES Bank, & Punjab National Bank and other ALL member Banks)**

#### **4.4: State Level Implementation Committee for Targeted Financial Inclusion Intervention Programme (TFIIP):**

Convenor informed the house that, by keeping in view of new policy year for PMJJBY & PMSBY SLBC vide its letter no. 176/SLBC/2021/F-TFIIP dt.09.06.2021 has requested Controlling Heads of Member Banks operating in Raichur & Yadgir districts to suitably sensitize their District Coordinators/Bank branches for achieving 100% benchmark set by DFS by September 2021.

All member banks are requested to arrange for review of branch wise performance in the above two aspirational districts and further improve the progress to achieve the target. As the cutoff date is already over, the SLBC Convenor informed the house that, SLBC had requested DFS for extension of time for achieving benchmark.

DFS through their letter Ref No.6/4/2021-FI dated 12.01.2022 **has extended timeline till 31.03.2022** to achieve the targets allotted under the KPI's. Same was communicated through SLBC letter Ref 14/SLBC/2021/F-TFIIP dated 12.01.2022 to Raichur and Yadgir LDMs to utilize this opportunity and ensure achievement of 100% benchmark on all KPIs.

The Chief secretary GoK advised member banks working in Raichur and Yadgir district to achieve target within timeline 31.03.2022.

Convenor SLBC also requested member banks working in Raichur and Yadgir district to make utilize this opportunity to achieve target within timeline 31.03.2022.

All member banks and LDMs (Raichur and Yadgir district) are requested to improve in PMJJBY and PMSBY and achieve the allotted target set by DFS by taking special initiative like conducting of camps, by creating awareness and by involving BCs, FLCs, RSETIs in special mode.

**(Actions: LDMs Raichur & Yadgir Districts and All Banks in Raichur & Yadgir Districts)**

**AGENDA 4.5: Skill development:**

**4.5.1 : RUDSETI / RSETIs**

**4.5.2 : Status of RSETIs / RUDSETIs as on 31.12.2021 reported by sponsor Banks is as under:**

Convenor informed the house that training programmes conducted were 493 against the target of 927 as on 31.12.2021.

**4.5.3: Functioning and performance of RUDSETI (7) / RSETI (26) in Karnataka state**

Convenor, informed house that 493 trainings were conducted and number of trained persons credit linked were 4359 during financial year 2020-21 as on 31.12.2021.

All member banks are requested to arrange for credit linkage to all RUDSET/RSET trained candidates to foster self-employment and also 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 improve in conducting more credit awareness programmes.

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

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

Convenor Informed that as informed by Canara Bank the District administration of Ballari district has allotted the land of 1.11 acres in TS No.1084/2b, near Bandihatti village, Ballari in the name of "The CEO, ZP, Ballari" instead of "The Director, CB RSETI, Ballari" on lease for 33 years.

The allotment of 1.11 acres land to CB RSETI Ballari in the name of The Director, CBRSETI, Ballari on 33 years lease basis is discussed under the chairmanship of DC, Ballari held on 18.06.2021.

Convenor informed the house that, 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 and Canara bank has requested the house to solve the issue.

The Chief Secretary GoK advised Canara bank or SLBC to address a letter in this regard.

**(Action: Canara bank or SLBC)**

**4.6: Issues - Reimbursement of pending BPL claims of training expenditures**

Convenor informed the house that, as on 31.12.2021, about Rs.23.93 crore is pending to be released by SRLM to various RSETIs in Karnataka and the pendency is continuing for many years.

The Chief Secretary GoK advised department concerned to examine the same for Reimbursement of pending claims.

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

**4.7: Progress in increasing digital modes of payment in the State, provision of continuous connectivity with sufficient bandwidth, resolving connectivity issues/ connectivity options (Bharat Net, VSAT, etc.), installation of ATMs and PoS machines and status of implementation of e-receipts and e-payments in the State**

**4.7.1: Utilizing Bharat Net Broad band infrastructure and enhancing the bouquet of services through Broad band in rural areas**

Convenor informed the house that, Ministry of Communications, Department of Telecommunication, Karnataka LSA vide their letter ref No.DDG(R1)/KTK/ LSA/1-7/SLBC/21-22/102 dated 28.10.2021 has requested to send revised list of GPs/Villages list wherever actual connectivity problem exist for Bank Branches/BCs. In spite of repeated mails and telephonic contacts we are yet to receive data from many LDMs.

The Chief Secretary GoK advised member banks and LDMs to send revised list to SLBC immediately wherever GPs/Village level network issue exist.

Convenor requested all member banks and LDMs to provide the said data immediately which hampers the expansion and deepening of digital payment ecosystem.

**(Action: Member banks & LDMs Karnataka)**

**4.8: Performance by Banks under Annual Atal Pension Yojana (APY) Targets during FY 2021-22:**

Convenor informed the house that, Karnataka has achieved 54% of APY target (Major Banks achieved 52%, PVT Banks-30%, RRB-68%) set by DFS which is administered & monitored by PFRDA during FY 2021-22 from 01.04.2021 to 31.12.2021.

PFRDA official informed that performance of Karnataka state is not upto the mark (62% as on 28.02.2022) and Canara Bank and SBI are doing well. UBI, BOI, PNB, Karnataka Bank, HDFC, Axis, ICICI and BOB performance is low. He suggested SLBC to write individual letters to those banks to achieve the target. The Chief Secretary also advised SLBC to send letter to these banks.

BOB, UCO, UBI, HDFC bank officials informed that now APY campaign is going on in their respective banks and will achieve allotted target within 31.03.2022.

**(Actions: UBI, BoB, BOI, PNB, Karnataka Bank HDFC, Axis, ICICI and All other Banks)**

Convenor informed that, PFRDA has announced APY **CITIZEN's CHOICE H2-FY 2021-22** campaign period **1-Feb-2022 to 31-Mar-2022**.

The **APY CITIZEN'S CHOICE** Campaign focuses on sourcing maximum no. of APY accounts through the widespread branch network of all the banks in all the districts/states across India. DFS/PFRDA believes in rewarding the best performers who painstakingly work towards the growth of APY scheme and are instrumental in taking the scheme to greater heights.

SLBC vide letter No 30/SLBC/2022/F-566 dated 01.02.2022 has requested all member banks and LDMs to be guided accordingly and advise the bank branches to achieve the allotted targets by conducting APY camps, enrolling more APY from SHG members etc.

The Chief Secretary-GoK advised Canara Bank, SBI, UBI, BOB, BOI, PNB, HDFC, ICICI, Axis and Karnataka bank to canvass more APY as their share is more in Karnataka State, so that Karnataka can archive the target. He expressed concern over the performance of UBI, BOB, BOI, PNB and private banks (HDFC, ICICI, Axis and Karnataka bank) and other PSBs and advised strictly to these banks for concentrating more on enrolling APY.

The Convenor requested all the banks and LDMs for achieving of APY target for the FY 2021-22 by conducting special camps with the assistance of BCs, SHGs, FLCs, RSETIs / RUDSETIs.

**(Actions: All Member Banks and LDMs)**

## **AGENDA 5: KCC**

### **5.1 KCC Loans – Disbursements & Outstanding:**

SLBC-Convenor informed the house that reduction in the total KCC outstanding by 4248.90 crores as on Dec 2021 compared to Sep 2021 was mainly on the account of Union Bank of India.

UBI informed the house that the reduction in outstanding was mainly due to wrong reporting of data in Sep 2021 quarter in the portal and also due to restructuring of KCCs loans, while restructuring converting KCCs loan into term loans.

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 target for the year 2021-22.

**(Actions: All Member Banks)**

### **5.2. KCC saturation for PM Kisan beneficiaries in the state**

The Chief Secretary, GoK informed the house that 15.5 lakh PM Kisan beneficiaries are uncovered under KCC scheme as per the PM Kisan enrolment data in the state and advised all the member banks to sanction KCC loan to all eligible borrowers.

SLBC Convenor informed the House that SLBC has submitted most of banks hash of aadhaar of KCC borrowers to e-Governance, GoK except hash adhaar of KCC borrowers of SBI, BOI, IOB, ICICI, AXIS bank, HDFC bank and Apex bank (7 DCCB data yet to be received) and he requested SBI, BOI, IOB, ICICI bank, AXIS bank, HDFC bank and Apex bank to share the hash of aadhaar immediately to enable e –Governance, GoK to come out with left out PM Kisan beneficiaries to cover under KCC.

**(Actions: SBI, BOI, IOB, ICICI Bank, Axis Bank, HDFC Bank & Apex Bank)**

### **5.3 KCC-Dairy and other animal husbandry activities:**

Convenor SLBC informed the house that banks have sanctioned 3284 KCC –AH loans against the accepted applications of 16054 during special saturation drive for KCC AH &F from 15.11.2021 to 15.02.2022. Major reason for rejection of loan application is “existing defaulters’ applications mobilized by the line departments”. He also informed that Camps/saturation drive was suspended from 14.01.2022 to 31.01.2022 due to increased covid cases.

The ACS&DC, GoK expressed the concern about less number of KCC AH and fisheries loan sanctions against the total applications submitted and advised Secretary, Animal

husbandry and fisheries, GoK to have a meeting with major 4 to 5 banks to improve the sanctions.

Union Bank of India informed that many customers not willing to avail loans as small loan amount involved.

The ACS &DC, GoK urged for more involvement of animal husbandry and fisheries department, GoK to create awareness among public on availability KCC facility for animal husbandry and fishery activities.

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

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

#### **5.4. Issuance of KCC-Fisheries:**

SLBC Convener informed the house that banks have sanctioned 168 KCC fishery loans against the 1400 applications accepted during the special saturation drive held between 15.11.2021 to 15.02.2022.

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)**

#### **5.5. Pradhan Mantri Fasal BimaYojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS):**

##### **5.5.1. Season wise insurance claims settlement status under PMFBY and RWBCIS**

##### **a). Season wise claim settlement status under PMFBY as on 29.01.2022.**

SLBC Convenor requested Department of Agriculture, GoK to advise ICs to settle the pending claims of Rs 55.73 crore for the period of Kharif 2018 to Rabi and Summer 2019-20 and Rs 25.19 crores for the period of Kharif 2020 to Rabi and summer 2020-21.

Agriculture Commissioner, GoK informed that, at present pending claims is Rs 47.21crores, pending is mainly on the account of two reasons one is few insurance companies are not paying claims due to crop mismatch and crop cutting experiment issue and another reason is payment being made by insurance companies but not credited to borrower account due to NPCI related issues.

The Chief Secretary, GoK advised agriculture, horticulture departments and banks to improve the crop insurance enrolments as present enrolment is only 15 lakh farmers in a year and it very meagre compare to total existing farmer's number.

**(Actions: Department of Agriculture, Horticulture Department, GoK and Member Banks)**

##### **b). Season wise claim settlement status under RWBCIS as on 25.01.2022.**

SLBC convenor requested the Horticulture department to advise concerned Insurance companies to settle pending claim of Rs 9.62 crores for period of Kharif 2016 to Rabi 2018 and pending claim of Rs 85.34 crores for period of Kharif 2019 and Rabi 2020.

The Chief Secretary advised agriculture department, horticulture department, insurance companies and member banks to do more publicity among public to enrol more number of enrolments.

**(Actions: Department of Horticulture, GoK)**

**c) Allowing dormant Pradhan Mantri Jan Dhan Yojana (PMJDY), Small and BSBD Account to receive DBT claims and removal of transaction limit of Rs 50,000/- and Rs 100000/- for DBT credits of PMFBY and RWBCIS.**

SLBC Convenor informed that it had already communicated DFS letter dated 05.04.2021 {F. No. 6/3/2020-FI (C-450358)} on advising banks for allowing DBT credits in dormant PMJDY, BSBD and small accounts and also removal of restrictions of DBT credits of above Rs 50,000/- and total credits exceeding Rs 1,00,000/- in a year in PMJDY, BSBD and small accounts.

In this regard it was informed that as per RBI's circular DBOD. No. Leg. BC. 53/09.07.005/2013-2014, dated September 17, 2013, banks have been advised to ensure that DBT payments to accounts are not rejected due to saving bank accounts being classified as inoperative/dormant. Also, banks have been advised to give a separated product code for accounts receiving DBT payments, so that accounts are not classified as inoperative.

As regard to the transaction limits, it is informed that PMJDY accounts are BSBD accounts and as per RBI circular dated 10.06.2019 for BSBD accounts there is no limit on the number and value of deposits that can be made in a month. For small accounts as per RBI master direction on KYC dated February 25, 2016 [Section 23 (on small accounts)], it is mentioned that the limit of aggregate credits of Rs. 1 lakh in a financial year and the limit of balance not exceeding Rs. 50,000 at any point of time shall not be considered while making deposit through Government grants, welfare benefits and payment against procurements.

SLBC requested all the member banks to confirm compliance of the same within one week from this SLBC meeting to enable us to communicate the same to DFS and also agriculture and horticulture department to initiate the DBT crop insurance claim payments for such accounts.

Banks are strictly advised not to debit any minimum balance charges to PMJDY and BSBD account as per the discussion happened in steering committee meeting.

**(Actions: All Member Banks)**

**d) Direct Benefit Transfer (DBT) payments under Government Schemes- Credit to bank accounts:**

SLBC Convenor informed the banks to refer to RBI letter ref BLR.FIDD.LBS. No. S-433 /02.04.001/2021-22 dated 07.01.2022 wherein it has mentioned that almost all payments under various Government schemes are directly credited to the bank accounts of the beneficiaries through Aadhar enabled DBT system. In addition, insurance payments to eligible farmers by insurance companies, Minimum Support Price (MSP) payments to farmers from the Government are also carried out through the DBT mechanism. Banks in the State have been facilitating DBT payments to their account holder beneficiaries of such Government payments. Needless to add that, any failed transactions with respect to DBT payments would immensely impact the beneficiaries adversely, depriving them of the Government assistance.

The two major reasons attributed for DBT payment failures in the State are i) Dormant/inoperative account, and ii) amount exceeding credit limit fixed for the account.

In this connection, we invite members' attention to RBI circular DBOD.No.Leg.BC.53/09.07.005/2013-2014 dated 17.09.2013 on unclaimed Deposits/Inoperative Accounts in banks-Treatment of certain savings bank accounts opened for credit of Scholarship amounts and credit of DBT under Government Schemes, wherein banks were advised to allot a different "product code" in their CBS to accounts opened for DBT etc., so that the stipulation of inoperative/dormant account due to non-operative does not apply while crediting proceeds under Government grants, welfare benefits and payment against procurements.

Further, RBI master Direction DBR.AML.BC.No 81/14.01.001/2015-16 dated 25.02.2016, on Know Your Customer (KYC) Direction, updated as on 10.05.2021, prescribes that the limits set for small accounts for their balances, shall not be considered while making deposits through Government grants, welfare benefits and payment against procurements.

In addition, vide our circular DBR.LEG.BC. No. 47/09/07/005/2018-19 dated 10.07.2019, on Financial Inclusion-Access to Banking Services- Basic Savings Bank Deposit Account, it has been prescribed that the BSBD account shall be considered a normal banking service available to all, without any requirement of minimum balance, and there is no limit on number and value of deposits that can be made in a month in such accounts.

**(Actions: All Member Banks)**

#### **5.6. Agenda of Agricultural department GoK.**

##### **5.6.1 Long pendency in verification of crop insurance proposals by Banks:**

Convenor SLBC has requested all the banks to complete verification of crops pertaining to PMFBY and RWBCIS by 25.03.2022 failing which the proposals will be treated as rejected by the Banks (refund of premium to farmers, State and Government of India has to be done) and any claim raised by the farmer later, will have to be paid for by the concerned Bank.

The Chief Secretary, GoK advised banks to ensure completion verification of crops pertaining to PMFBY and WBCIS within the timelines to enable department to initiate claims failing which claim settlement responsibility will be rest on concerned banks.

**(Actions: All Member Banks)**

##### **5.6.2: Compliance with directions regarding exemptions to DBT in Jandhan and BSBD accounts.**

In this regard it was informed that as per RBI's circular DBOD. No. Leg. BC. 53/09.07.005/2013-2014, dated September 17, 2013, banks have been advised to ensure that DBT payments to accounts are not rejected due to saving bank accounts being classified as inoperative/dormant. Also, banks have been advised to give a separate product code for accounts receiving DBT payments, so that accounts are not classified as inoperative.

As regard to the transaction limits, it is informed that PMJDY accounts are BSBD accounts and as per RBI circular dated 10.06.2019 for BSBD accounts there is no limit on the number and value of deposits that can be made in a month. For small accounts as per RBI master direction on KYC dated February 25, 2016 [Section 23 (on small accounts)], it is mentioned that the limit of aggregate credits of Rs. 1 lakh in a financial year and the limit of balance



not exceeding Rs. 50,000 at any point of time shall not be considered while making deposit through Government grants, welfare benefits and payment against procurements.

Convener SLBC requested member banks to comply with the directions with respect crop insurance DBT payments.

The Chief Secretary, GoK advised member banks to look account wise and no restriction should be there for DBT payments in Jandhan and BSBDA accounts.

**(Actions: All Member Banks)**

### **5.6.3 NPCI validation failed cases:**

Commissioner, Agriculture informed the house that there are significant number of cases where the crop insurance claims pushed by DBT bounced back due to non/improper seeding of Aadhaar to the bank account of the beneficiary farmer. There were cases where Aadhaar numbers were not in the data base of the bank's details. Enquiries made revealed that some bank branches are not very helpful with farmers in linking their accounts with Aadhaar. Some of the bank branches were not aware of proper procedure of Aadhaar seeding. Farmers are being informed that their account are already seeded, while Aadhaar numbers are entered in the Bank server but not in the NPCI portal. Under PMFBY the Government of India and the State have taken up IEC activities for the farmers and procedure of Aadhaar seeding. However, Banks are required to advise and train all staff to seed all farmer's accounts with respective Aadhaar numbers in NPCI portal. This will be helpful not only in PMFBY, but all other DBT benefits given by the Government.

Also in cases of "**Aadhaar inactive**" bank needs to change and upload the status as active on NPCI portal and in case of "**error in aadhaar**" bank is supposed to take fresh KYC documents and consent by account holder and then to follow the same procedure as needed for fresh seeding.

The Chief Secretary advised member banks to take action on this NPCI failed cases immediately.

**(Actions: All Member Banks)**

### **5.6.4 : Corrigendum issued by Under Secretary to Government , Horticulture department vide No. HORTI 140 HPP 2020(e-office) on Horticulture cluster Development programme nominating state nodal department, cluster development agency, cluster development cell, and Evaluation committee.**

Convenor informed that the Under Secretary has issued corrigendum regarding nomination of Deputy Director.

## **AGENDA 6. Crop Loan Waiver Scheme -2018**

### **6.1: Progress in implementation of CLWS-2018 of GoK:**

Regarding progress under implementation of CLWS-2018 of GoK, Convenor informed the house that the GoK as a part of CLWS-2018 has released Rs. 7686.16 crores towards 10,18,087 crop loan accounts of farmers of commercial banks and RRBs till 31.01.2022. ✓

### **6.2: Actions to be taken by Banks on priority for CLWS -2018.**

Convenor requested, banks and LDMs to advise their branches/Managers/DGMs to complete pending works {Like., a..Pending Green List accounts for approval, b.FSD

incomplete, c. FSD not uploaded , d. Pendency in feeding of alternate account-Pendency at Manager level and Pendency at DGM level in case of closed accounts after 31.12.2017}, as per the extant guidelines of GoK as the CLWS scheme may close at any time.

**(Actions: All Member Banks and LDMs)**

### **6.3 : Internal Audit of the CLWS-2018 accounts by the implementing banks**

Convenor informed that internal Audit booklet along with timelines/Annexures/tables/Certificates has been finalized in coordination with CLWS Special Cell GoK and Finance Department-(FR) GoK and the same will be communicated shortly to all the member banks to enable banks to start the process of carrying out internal audit. Convenor SLBC requested all member banks to carry out internal audit process as per guidelines mentioned in the booklet.

**(Actions: All Member Banks)**

### **AGENDA 7: Fisheries Loan Waiver Scheme (FLWS):**

Convenor informed the house that, as per the information provided by fisheries department, FLWS amount of Rs. 49.00 crore was released to implement the scheme and Rs. 46.33 crore has been utilized.

As informed by fishery Department there are some accounts still pending due to not providing alternate account numbers in FLWS package. Convenor SLBC requested member banks to advise their branches for providing alternate account number at the earliest in FLWS portal, so that the beneficiaries will get the benefits of the Scheme. The three coastal district LDMs are also requested to coordinate with their district bank branches. The Banks requested fishery department to provide account-wise alternate accounts number pendency for follow-up with bank branches.

**(Action: All Member Banks, Uttara Kannada, Udupi, Dhakshina Kannada LDMs & Fishery Department)**

### **AGENDA 8.0: RBI agenda**

#### **AGENDA 8: RBI agenda (inputs from Reserve Bank of India)**

##### **8.I. Financial Literacy:**

Convenor informed the house that, out of the 177 Financial Literacy Centres (FLCs) operating in the State, only 139 FLCs are presently active. Banks have been advised to appoint FLCs in vacant positions. He further informed that, 38 Centres for Financial Literacy (CFL) in 114 blocks of the State has been operationalized through two NGOs viz M/s Dhan Foundation and M/s Mother Ron. Sponsor Banks are to monitor the activities of these CFLs.

**(Actions: All Member Banks and Stakeholders - SBI , UBI, BOI and Bank of Baroda)**

##### **8.II. Financial Inclusion**

##### **Deepening of Digital Payment Ecosystem**

Convenor informed the house that Yadgir and Haveri districts have been identified for deepening of digital payment ecosystem in the State. As deliberated in the 7<sup>th</sup> meeting of SLBC Sub-Committee on deepening of digital payment ecosystem, all stakeholders are

advised to ensure achievement of 100% digitization in both the districts as per stipulated timelines.

The General Manager, RBI informed that sponsor bank like SBI for Yadgir and BoB for Haveri have to take special initiative to achieve 100 % digitization in coordination with other stake holder.

**(Action: Convenor SBI- Expansion and deepening of Digital Payment Ecosystem, State Controlling Head of Bank-SBI, BoB, LDM Yadgir, LDM Haveri, All banks State controlling Heads- functioning in the district and SLBC)**

### **8. III. Lead Bank Scheme**

#### **a. Meetings under Lead Bank Scheme (LBS)**

Convenor informed the house that, controlling Offices of banks have to ensure that the Lead District Managers (LDMs) are conducting various meetings under the Lead Bank Scheme (LBS), viz., District Consultative Committee (DCC), District Level Review Committee (DLRC) and Block Level Bankers' Committee (BLBC) within the stipulated timeline of 90 days from the end of quarter . Further the convenor stated that, DCC/ DLRC meetings have not been conducted or delayed in several districts and few banks are also not participating in such fora, eliciting severe criticism from the Chairmen of such fora.

Convenor requested Banks to ensure participation of appropriate level authority in such meetings as per extant guidelines and advised LDMs to conduct meetings (BLBC, DCC & DLRC) within stipulated timelines. The banks State Controlling office of LDMs are also requested to advise their respective LDMs to conduct BLBC, DCC & DLRC as per Lead Bank circular within stipulated timelines

**(Actions: LDMs & banks State Controlling office of LDMs, CanaraBank, SBI, BoB, UBI and other member banks)**

#### **b. Direct Benefit Transfer (DBT) payments under Government Sponsored Schemes**

It has been reported that several DBT payments under Govt. sponsored schemes (GSS) were being rejected by banks for various reasons.

Controlling Offices of the banks in the State are requested to ensure that DBT payments to beneficiaries under various GSS are not rejected on account of accounts being classified as dormant / inoperative and / or the amount exceeding the credit limit fixed for the account.

**(Action: All Member Banks)**

#### **c. Status of Opening of Banking Outlets in Unbanked Villages within a radius of 5 Km from the village:**

Talagunda Gram Panchayat is located in Sira Taluk, Tumakuru District in Karnataka with a total population of 4511. It has been reported by the representatives of the Gram Panchayat that the nearest available bank branches of Canara Bank, Karnataka Bank and State Bank of India (SBI) are located at a distance of 10 Kms from the Gram Panchayat.

As per Strategic Objective IV.1 of National Strategy for Financial Inclusion (NSFI) 2019-24, every village to have access to a formal financial service provider within a reasonable distance of 5 KM radius. Necessary arrangements may be made in this regard.

Convenor requested for opening of bank branch and SBI representative informed the house that they are in process of appointing BC.

The House requested all banks to explore possibility of opening bank branch in that area. LDM to discuss the matter in the ensuing DCC/DLRC meeting.

**(Action: All Member Banks and LDM Tumkur)**

#### 8.IV. Micro Small and Medium Enterprises (MSME)

##### a. Study on credit offtake to MSME sector

Convenor informed the house that, Reserve Bank had conducted an All-India study on credit offtake to MSME Sector, wherein the number of new MSME accounts opened by Scheduled Commercial Banks (SCBs) and disbursement of MSME loans made by SCBs during the last four financial years (2018-2021) were analysed. The important findings from the study are as under:

- The new MSME accounts opened by Public Sector Banks (PSBs) reported an increase of 38.55 % for the year ended March 2021 compared to March 2020, however the amount disbursed during the same period reported a marginal increase of 1.29%.
- The new MSME accounts opened by Private Sector Banks (PvSBs) reported a decline by 78% in March 2021 compared to March 2020, and the amount disbursed reported a decline of 30.38%.
- The new accounts in Micro segment reported a decrease of 62.03% for the year ended March 2021 compared to March 2020, while the amount disbursed during the same period reported a decrease of 37.16%.
- The new accounts in Small segment reported a decrease of 7.70% for the year ended March 2021 compared to March 2020, while the amount disbursed during the same period reported a decrease of 21.27%.
- The new MSME accounts in Medium segment reported an increase of 39.87 % for the year ended March 2021 compared to March 2020, and the amount disbursed during the same period reported an increase of 55.71%.
- The loan amount disbursed by SCBs reported a decrease of 3.44% for the year ended March 2021 vis-à-vis March 2020.
- PSBs reported an increase of 75.22 % in the number of accounts for the year ended March 2021 vis-à-vis March 2020, while the loan amount disbursed during the same period reported a decline of 2.60%.
- PSBs reported a decline of 5.97% in the loan amount disbursed for the year ended March 2021 vis-à-vis March 2020, while the number of accounts reported a decrease of 14.41%.
- Foreign Banks reported an increase of 8.56% in the loan amount disbursed for the year ended March 2021 vis-à-vis March 2020, while the number of accounts reported a decrease of 22.22%.
- The loan disbursed to micro segment reported a decrease of 11.47% for the year ended March 2021 vis-à-vis March 2020, while the number of accounts to which loan was disbursed reported a marginal increase of 3.36% for the same period.
- The loan disbursed to small segment reported a decrease of 9.03% for the year ended March 2021 vis-à-vis March 2020, while the number of accounts to which loan was disbursed reported an increase of 23.51% for the same period..
- The loan disbursed to medium segment reported an increase of 37.95% and the number of accounts to which loan was disbursed reported an increase of 54.58%, for the year ended March 2021 vis-à-vis March 2020.

Convenor requested that, all stakeholders are required to draw an action plan for improving the credit offtake to MSMEs and for on-boarding new units.

The Chief Secretary GoK also advised all banks to draw an action plan to improve lending under MSME sector.

The Regional Director RBI informed that, the Credit-offtake by Private sector banks is lagging behind and advised private sector banks to improve the same.

ACS & DC advised Subcommittee on MSME to examine and discuss in-detail for improving the credit offtake to MSMEs sector.

The Principal Secretary (I & C, MSME) informed that during their earlier meetings, have listed some banks where MSME borrowers are facing problems. In this regard, the Chief Secretary advised me & C, MSME department to send the list of those banks to RBI & SLBC with details of actions to be taken.

**(Action: All Member Banks including private banks, MSME Sub-Committee-Convenor UBI and I & C, MSME department)**

#### **8.V. Market intelligence issues**

House was appraised about the Market Intelligence (MI) information / issues.

##### **a. Unauthorised lending :**

During a raid conducted by the Economic Offences Wing (EoW) on a company in Bengaluru, it was found that 04 Chinese citizens opened more than 60 companies & 59 accounts in different banks and were doing unauthorized lending by offering loans to the public through mobile applications, namely Cash Master, Crazy Rupee, I Rupee, Cashin, Rupee Menu, and E Rupee. Through these apps, they were harassing the public by charging exorbitant interest & threatening for repayment of the loan. A case has been registered against these 04 Chinese accused and it is under investigation.

**(Action: All Member banks)**

##### **b. Cybercrime Incident Reporting (CIR)**

Around 679 Cybercrime Incident Reports (CIR) cases are pending with various banks as on January 20, 2022. All banks are advised to ensure prompt action in this regard.

**(Action: All Member banks)**

### **AGENDA 9: NABARD AGENDA**

#### **9.1- ACP Targets for RRBs**

The CGM NABARD informed that, during the Empowered Committee Meeting of RRBs convened by Reserve Bank of India on 21.12.2021, both the RRBs have expressed concern about allocation of high Annual Credit Plan (ACP) targets. Therefore rationalization of ACP targets to RRBs may be looked into.

Convenor informed that, SLBC has already sent a letter bearing No 17/SLBC/0070/2022 dated 12.01.2022 to KGB and KVGB duly marking a copy to LDMs of Karnataka state (By quoting minutes of 84<sup>th</sup> EC on RRBs held on 21.12.2021 by RBI). Further informed that ACP is bottom up approach wherein, the branches will prepare credit plan and respective district coordinators will submit the consolidated credit plan to LDMs based on potential linked credit plan fixed by NABARD and requested KGB and KVGB to advise their bank district coordinators to coordinate with their respective LDMs while finalizing the District Credit Plan of 2022-23.

**(Action: KGB and KVGB)**

### **9.2: Organizing post- handholding disbursement events under Stand up India Scheme**

The CGM NABARD informed that the Standup India scheme aims at promoting entrepreneurship among women and scheduled castes and tribes, being anchored by Department of Financial Services (DFS), Ministry of Finance, and Government of India.

As per the guidelines of Department of Financial Services (DFS), Ministry of Finance, Government of India issued vide letter no 28/01/2016-IF-II dated 09.03.2021, the District Level Credit Committee (DLCC) under the chairmanship of DCs with the LDM as Convener shall periodically review cases of both types of borrowers, meeting at least once in each quarter. SIDBI and NABARD officers shall join the review meetings.

LDMs are requested to extend necessary assistance to DDMs in conducting quarterly events with stakeholders/post disbursement handholding events at district level and monitor the performance of the scheme in the district.

Chief Secretary advised all banks and LDMs to extend necessary support organizing post-handholding disbursement events under Stand up India Scheme.

**(Action: LDMs, Karnataka State and Member Banks)**

### **9.3. Bridging the credit linkage gap in SHG financing**

The CGM NABARD informed the house that widening gap in SHG financing at All-India level is observed. There has been a declining trend of per SHG loan as well. The position in Karnataka is as under:

1. The credit gap in SHG Financing in Karnataka has sharply increased from 23.84% as on 31 March 2020 to 44.79% as on 31 March 2021, is a cause of concern.
2. The credit gap by RRBs and Cooperative Banks stands at 52.65% and 71.30%, which is higher than the national average of 43.48% and 64.68% respectively.
3. The year wise average amount of loan disbursed per SHG has also marginally decreased from 2.21 lakh per SHG in 2019-20 to 2.16 lakh per SHG in 2020-21.

CGM NABARD suggested all banks to take cognizance of this and all efforts may be taken to channelize credit to SHGs to decrease credit gap.

The Chief Secretary advised state controlling office of banks to advise bank branches in this regard.

The Mission Director NRLM informed that NRLM SHGs are not getting credit linkage and requested banks to gear up and start lending to these SHGs.

**(Action: All Banks)**

## **AGENDA 10. Banking statistics as on 31<sup>st</sup> December 2021:**

### **10.1: Business figures under various parameters:**

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 2021.

There is a Y-o-Y growth of 11.44% in Deposits and 7.91% in Advances. CD ratio of the state as on 31.12.2021 is 70.17.

The level of PSA in the State has increased from Rs.305628 crores as on Dec 2020 to Rs.331165 crores as on Dec 2021 showing an absolute growth of Rs.25537 crores and percentage growth of 8.36% on Y-O-Y basis.

Agricultural advances have increased from Rs.145987 crores as on Dec 2020 to Rs.160971 Crores as on Dec 21, showing an increase of Rs.14984 crores (10.26 %) on Y-O-Y basis.

The outstanding level under MSME has increased from Rs.102431 Crores as on Dec 2020 to Rs.117533 Crores as on Dec 2021 i.e. growth of 14.74 % on Y-o-Y basis.

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

**(Action: All Banks& LDMs)**

## 10.2: Branch Network

Convenor informed the house that the number of bank branches has decreased from 11590 as on 30.09.2021 to 11520 as on 31.12.2021, thus showing a decrease of 70 branches on Y-o-Y basis. This decrease is due to erroneous submission of data by SBI in September 2021 quarter. The number of branches as on March 2021 is 11655.

### 10.2.1 Rural bank branch closing issue:

Convenor informed the house that as per RBI's notification no. RBI/2016-17/306 DBR No.BAPD.BC.69/22.01.001/2016-17 dt.18.05.2017, Banks having general permission may shift, merge or close all Banking Outlets except rural outlets and sole semi urban outlets at their discretion. However Banks should seek the approval from DCC/DLRC for closure/merger/shifting of any rural Banking Outlet as well as a sole semi urban Banking Outlet.

The House of 156<sup>th</sup> SLBC meeting has reviewed the decision of DCC/DLRC for relocation of Canara bank branches and merger of rural branches by SBI and Canara Bank and closure of Bank of Baroda branch in the respective districts and accorded approval for relocation of Canara branches of Arehalli, Banavara, Bagur, Kalkere and Habbanaghata and advised that Canara Bank should take all required measures and steps to ensure continued services to the customers in these branches.

Sl No	District name	Bank name	Branch Name	Parameter	Distance between branches	Remarks
1	Hassan	Canara Bank	Arehalli	Arehalli	250 mts	Relocation of Branch
2	Hassan	Canara Bank	Banavara	Banavara	200 mts	Relocation of Branch
3	Hassan	Canara Bank	Bagur	Bagur	400 mts	Relocation of Branch
4	Hassan	Canara Bank	Kalkere	Kalkere	200 mts	Relocation of Branch
5	Hassan	Canara Bank	Habbana ghata	Habbanag hatta	200 mts	Relocation of Branch
6	Hassan	Bank of Baroda	Arekere	Closure		Conversion of Arekere branch into Service outlet linked to Javagal branch which is 12 km. Present business of Arekere branch is 12.86 crores even



						after completion of 8 years of operation. Scope for improvement in Business is very limited in the area of operation and the branch is continuously under loss since inception. Kolagunda branch of Canara bank is within 5 km radius from Arekere village.
7	Vijayapura	Canara Bank	Hiremarul	Nalatwad	5000 mts	Hiremarul branch is to be <u>merged</u> with Nalatwad branch which is 5 km and accessibility to customers is convenient.
8	Tumkur	SBI	Dandinashivara	Ammasandra	3000 mts	Dandinashivara branch is to be <u>merged</u> with Ammasandra branch since it is loss making branch.
9	Tumkur	SBI	Kodigehalli	Turuvekere	3000 mts	Kodigehalli branch is to be <u>merged</u> with Turuvekere branchesince is loss making branch.

The House has permitted only relocation of Canara bank branches namely Alehalli, Banavara, Bagur, Kalkere and Habbanaghatta.

The house has not permitted merger of rural branches by Bank of Baroda, Canara Bank and SBI and closure of branch in the respective districts, house advised Bank of Baroda, Canara Bank and SBI banks to have a relook.

**(Action: Concern Banks- Bank of Baroda, Canara Bank and SBI & LDMs)**

### 10.3: ATM Network

Convenor informed the house that, total number of ATMs is **17056** as on 31.12.2021 and **17166** as on 30.09.2021.

## AGENDA 11: REVIEW OF CREDIT DISBURSEMENT BY BANKS:

### 11.1. Achievement under ACP of the state, Priority Sector Lending

Convenor presented a comparative analysis of disbursement up to the quarter ending December 2021 of FY 2021-22.

- The banks have disbursed Rs.42555 Crore under Short Term agriculture loans registering 59.17% achievement to the Annual target as on 31.12.2021.
- The banks have disbursed Rs.37621 Crore as on December 2021 under Agricultural Term loans registering 69.58 % achievement to the Annual target.
- Total agriculture registering 63.64 % achievement to the annual target as on 31.12.2021.
- The banks have disbursed Rs.56279 Crore under MSME registering 50.33 % achievement to the Annual target as on 31.12.2021.
- The banks have disbursed Rs.5992 Crore under priority Housing registering only 19.86 % achievement to the Annual target as on 31.12.2021.

- 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 2021-22.

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

The ACS & DC advised SBI and all the other banks to give more focus on sanctioning of loans under AHP, PMAY schemes.

**(Action: All Member Banks & LDMs)**

## **AGENDA 12: Status of rollout of Direct Benefit Transfer in the State – Aadhaar seeding and Authentication:**

### **12.1: Progress under Aadhaar/Mobile seeding of operative CASA a/cs:**

Convenor informed that percentage of Aadhaar seeding is 88.15 and percentage of mobile seeding is 87.42 as on 31.12.2021.

Convenor requested all member banks & LDMs to sensitize the branches and to arrange for further improving Aadhaar and mobile 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 is selected for digitalization.

**(Action: All Member Banks & LDMs)**

### **12.2: Progress under Aadhaar and Mobile seeding in PMJDY a/cs:**

Convenor informed that % of Aadhaar seeding is 84.28 % as on 31.12.2021 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)**

### **12.3: Progress under Online DBT Credits through AEPS in different schemes:**

#### **12.3.1: MGNREGA:**

Convenor informed the house that as per the information provided by the department there are 86,63,199 **MGNREGA** workers' accounts in the state of which, 40,55,827 accounts have been enabled into Aadhaar Based Payment which works out to 46.82 % as on 28.01.2022.

He requested GoK to extend necessary support in organising camps in the districts where achievement is less than 50% under Aadhaar based payment to MGNREGA workers' viz. Chitradurga, Davanagere, Bengaluru Rural, Ballari, Chikkaballapura, Dakshina Kananda, Mysore, Chamarajanagara, Kodagu, Koppal, Kolar, Raichur, Udupi, Belagavi, Bagalkot, Vijayapura, Bidar, Kalaburgi, Bengaluru Urban and Yadgir. SLBC requests Member Banks to improve Aadhaar seeding and mapping with special emphasis on Yadgir and Raichur districts.

SLBC requested Member Banks to improve Aadhaar seeding and mapping with special emphasis on Yadgir and Raichur districts.

Convenor requested the Dept. to share the Bank-wise list of pending beneficiary details for taking up with the respective Banks.

The Chief Secretary GoK advised the department concerned to check how remaining MGNREGA amount is being credited as % of account converted into Aadhaar based payment is only 46.82 %.

**(Action: All member Banks, LDMs, RDPR and Concern department)**

#### **12.4: Progress under Social Security Schemes:**

Convenor informed the House that the performance of banks in all the three Social Security Schemes (PMSBY 8.22 % growth, PMJJBY 8.34 % growth & APY 16.20 % growth) as on December 2021.

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)**

#### **12.5: Providing add-on services through Toll Free Desk for addressing Public Grievances Redressal of Flagship programs like PMJDY, PMJJBY, PMSBY, APY, MUDRA and PMFBY:**

Convenor informed the house that the Toll Free number 1800 4259 7777 continues to be functional through vendor M/s Conneqt Business Solutions Ltd., Hyderabad and the total no. of calls received at the Helpdesk from July 2019 to December 2021 is 20991.

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

**(Action: All Member Banks and LDMs)**

### **AGENDA 13: Government sponsored schemes**

#### **13.1 Performance under Govt Sponsored Schemes for the FY 2021-22:**

Convenor informed the house that Performance under PMEGP & NRLM is satisfactory as compared to other Government Sponsored scheme, Dr. Babu Jagjivanram Leather Industries Dev. Corp Ltd. Karnataka State Women Devp. Corp, Dr .B R Ambedkar Develop. Corporation Ltd. Scheme and Karnataka Maharishi Valmiki Scheduled Tribes Development Corporation Limited and same has been communicated to all Lead district managers of Karnataka state.

Performance under NRLM, schemes sponsored by Dr.B R Ambedkar Development corporation Ltd and Dr. Babu Jagjivanram Leather Industries Dev. Corp. has been very satisfactory.

The ACS & DC advised to add in the table details such as No. of applications submitted to all banks, so that it helps for review.

General Manager, Canara Bank and representatives of BOB, SBI have informed latest progress under DAY NULM schemes.

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

**13.1a: Timely Submission Of Data by Line Departments:**

All the Govt. departments are requested to submit the status of the schemes implemented by them-“Bank wise” and “District wise, so that the “Bank wise” and “District wise” performance can be effectively reviewed and discussed in the concerned SLBC sub committee meetings and then a compact note can be placed in the regular SLBC meeting. While furnishing the information, the Govt. Departments are requested to provide the Bank wise details as under:

- Target allocated (Physical and financial as applicable)
- Applications sponsored (No. and amount involved)
- Applications sanctioned (No. and amount sanctioned)
- Applications rejected (No.)
- Applications pending (No.)

The line department are also requested that the district wise performance can also be followed-up with LDMs to review the progress in BLBC and DCC/DLRC meetings effectively.

**(Action: All Line Department and LDMs)**

**13.1b: PMEGP**

Convener SLBC informed to that “Bank wise progress under PMEGP as on 31.01.2022 both in first dose and second dose.

The Chief Secretary displeasure about No. of applications rejected by banks and advised all member banks to revisit once again all rejected applications and sanction loans to all eligible borrowers.

The State Director, KVIC, Bengaluru has informed that, they have conducted PMEGP review meeting with banks under chairmanship of Principle Secretary, GoK, and also informed that target under PMEGP is only indicative only, bank may sanction more than target.

**(Action: Member banks, Govt. Department &KVIC)**

**13.2 PMAY-U (Housing for All 2022) – CLSS:**

**13.2.1: CLSS**

Convener, SLBC informed the house that as on 31.01.2022, 87847 applicants have received subsidy of Rs.1895.13 Cr under PMAY (U)CLSS.

SLBC requested the member banks to consider maximum possible number of loans under the PMAY\_CLSS scheme and also arrange to check each housing loan proposal for its eligibility under PMAY scheme preferably by automating the process.

**(Action: ALL Member Banks & LDMs)**

### **13.2.2 : Affordable Housing in Partnership (AHP)**

Convener informed that, regular meetings are being conducted at various level (ACS & Development Commissioner, Secretary, DoH, MD, RGRHCL in coordination with SLBC etc, to review the progress and sort out the bottlenecks.

Various review meetings were conducted by ACS & DC with LDMs and Member banks and state line departments in coordination with SLBC for effective implementation of PMAY-AHP scheme.

Principles Secretary, Housing informed that both KSDB & ULBs have submitted 25441 applications to Banks under PMAY\_AHP but banks have sanctioned only 5762 loans as on date. Housing dept. issued modified circular as per request of SBI. SBI sanctions are not forthcoming as of now.

SBI representative has informed that product has been developed and pending applications will be sanctioned within March 2022.

Principle secretary, Housing also informed bank wise progress under PMAY\_AHP,

ACS & DC, GoK has expressed her displeasure about performance of banks under PMAY\_AHP and also opined that state Bank India has not shown any interest in PMAY\_AHP loan sanctions and requested all banks along with SBI to sanction all pending applications under PMAY\_AHP.

General Manager, Canara Bank has informed the house that present position of Canara Bank under PMAY\_AHP in the state and also requested sponsoring agencies to submit to final allotment letter for disbursement of loan.

Principle Secretary, Housing agreed to issue final allotment letters initially to Bellary project.

MD, RGHCL informed that before sanctioning of loan, Dept. is given only provisional allotment letter and 'once occupied by beneficiaries', they will issue final allotment letters.

MD, KSDB informed that they have issued final allotment letter only to in-situ projects and in other cases after lottery allotment only issuing final allotment letters.

The Chief Secretary, GoK and ACS & DC, GoK advised to Housing dept. to issues final allotment letter (include indicative plot No with all schedule like floor, boundaries, etc.,) to all banks.

Principle Secretary, housing and MD-RGHCL agreed to work out for issuing of final allotment letter under PMAY\_AHP before sanctioning of loans.

Convener SLBC also requested member banks to expedite processing and sanctioning and of applications received by without further delay.

**(Action: RGHCL, KSDB. Housing Dept. GoK, All Member Banks & LDMs)**

### **13.3 CREDIT FLOW TO MINORITY COMMUNITIES**

#### **13.3.1: Progress under finance to Minority Communities in the state**

Convenor informed the house that there is outstanding of Rs.36803 Crores to minority communities as on 31.12.2021.

SLBC requested all Banks to achieve mandatory requirements under PSA lending to weaker sections in their ACP targets during FY 2021-22 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)**

### **13.3.2: 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 are Rs.71618.31 lakhs in Bidar District, Rs.106900 lakhs in Kalburgi District, and Rs.621004 lakhs in Dakshina Kannada District .

The Chief Secretary advised all member banks to sanction maximum loans to minority communities.

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 2021-22.

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

### **13.4: Grant of Education Loans:**

Convenor informed the house that during the review period (01.04.2021 to 31.12.2021) of the FY 2021-22, various banks in the state of Karnataka have disbursed Education loans to the tune of Rs 1532.19 Crores to 54214 accounts under both priority and non-priority segments. The performance of banks in lending under Education loans-PS is less due to COVID 2<sup>nd</sup> and 3<sup>rd</sup> wave as the colleges are not started in the initial period of financial year.

SLBC requested the member banks to sanction more number of education loans to all eligible and deserving students and reach the targets for FY 2021-22.

**(Action: All Member Banks)**

#### **13.4.1: Disposal of Educational loans under RGLS:**

The Bank of Baroda informed that, the RGELS (Rajiv Gandhi Education Loan Subsidy) portal has been created for lodging/submitting/consolidating subsidy claims under RGLS in coordination with Department of Collegiate education-GoK.

Convenor informed that, SLBC has forwarded the letter No. ZO/BZ/AG/21-22/006 dated 19.01.2022 (Enclosed in annexure 13O page no 308-310) of Bank of Baroda along with formats, regarding RAJIV GANDHI EDUCATION LOAN INTEREST SUBSIDY SCHEME to all the banks and LDMs with a request to initiate claims of interest subsidy. Convenor requested banks to go through the above referred letter and excel sheet which is self-explanatory for claiming of interest subsidy regarding Rajiv Gandhi Education Loan Interest Subsidy Scheme. A separate file for each year of the claim is to be submitted to the mail id: [elsc.bengaluru@bankofbaroda.co.in](mailto:elsc.bengaluru@bankofbaroda.co.in) .

(Action: All Member Banks)

**13.5: Progress under SHG-Bank linkage/ Joint Liability Groups:**

**13.5.1. A: SELF HELP GROUPS:**

Convenor informed the house that, Credit Linkage up to December 2021 FY 2021-22 of Rs.4797.39 crores.

The house expressed that the Average finance per group is very less and requested member banks to examine properly while disbursing/processing the credit to SHGs.

(Action: All Member Banks)

**13.5.2 : JOINT LIABILITY GROUPS:**

Convenor informed the house that, total outstanding as on 31.12.2021 is Rs.9482.49 crores and also requested member banks to give focus on SHG/JLGs and achieve allocated targets.

(Action: LDM & All Member Banks)

**13.6: Progress in Stand Up India scheme as on 31.12.2021**

Convenor brought to the notice of the house that, as on December 2021 banks have sanctioned an amount of Rs.164.16 crores.

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.

(Action: All Member Banks & LDMs)

**13.7: Progress in Sanctions under MUDRA scheme:**

Convenor informed the house that member banks have sanctioned 2734263 MUDRA loan accounts amounting to Rs.16590.90 Cr from 01.04.2021 to 31.12.2021

Karnataka state has secured 4<sup>th</sup> position with respect to MUDRA loan sanctions and disbursements in the country.

The Chief Secretary GoK expressed his displeasure regarding downgraded position from 1<sup>st</sup> slot to 4<sup>th</sup> slot and advised all banks to concentrate more on Mudra loan and to get again the 1<sup>st</sup> position.

ACS & DC also expressed displeasure about current position of the state under MUDRA loan as compared to last year position of the state under MUDRA loan.

(Action: All Banks)

**AGENDA 14: CD ratio, review of districts with CD ratio below 60% and working of special sub-committees of DCC (SCC)**

**14.1: Districts with CD Ratio of less than 60% as on December 2021:**

Convener informed the house that, Uttara Kannada and Udupi district has shown improvement in CD Ratio.

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 15: Position of NPAs in respect of schematic lending, certificate cases and recovery of NPAs**

**15.1: Non-Performing assets position as on 31.12.2021:**

**AGENDA: 15: Position of NPAs in respect of schematic lending, certificate cases and recovery of NPAs**

Convenor has informed the house that total non-Performing assets position as on 31.12.2021 is 55972.49 crores.

**15.2: Recovery of bank dues under PMEGP**

Convenor informed the house that under PMEGP share of NPA is 24.69% and requested the concerned depts. to extend necessary support to banks for recovery.

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

**15.3: 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)**

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

Convenor informed the house that, from 01.04.2021 to 31.12.2021, 84899 Notices sent for amount involved Rs. 945478 lakh and recovered 81774 lakh.

**(Action: ALL Member Banks & GoK)**

**15.5: We have been informed by Canara Bank, SBI, BOB and Union Bank of India, that they have taken special initiative for Tour operators affected by COVID .**

Convenor SLBC requested all other member banks to take special initiative for Tour operators affected due to COVID.

**(Action: All other Member banks)**

Convenor informed that, apart from this M/s. National Credit Guarantee Trustee Company Limited has issued guidelines to all the scheduled Commercial Banks in respect of tour operators.

Convenor SLBC requested all member banks to arrange to publicize these modifications and provide support to the eligible borrowers.

**(Action: All Member banks)**

**AGENDA16: REVIEW OF RESTRUCTURING OF LOANS IN NATURAL CALAMITY AFFECTED DISTRICTS IN THE STATE, IF ANY**

Convener SLBC informed that Member banks have restructured 8844 accounts and amounting to Rs.1184 Cr from 01.10.2021 to 31.12.2021.

The Chief Secretary, GoK and ACS&DC, GoK have expressed displeasure about restructuring of agricultural loan by member banks due to natural calamity, as during current year most of the northern district of the state were affected due to flood.

Convener informed as borrowers are not coming forward for restructuring of loans the rate of restructuring is very low.

**(Action: ALL Member Banks)**

**AGENDA 17: Discussions on policy initiatives of the Central/State Government/RBI (Industrial Policy, MSME Policy, Agriculture Policy, Start-Up Policy, etc.), and expected involvement of banks (DISCUSSION ON POLICY INITIATIVES OF GOI, GoK, RBI AND NABARD):**

**17.2: Promotion of Organic Farming - RBI:**

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

Agricultural Department-Organic cell is requested to provide road map & suitable action plan for transformation of identified area (Joida taluk of Uttara Kannada district). Banks are also requested to support for implementation of organic farming in Joida Taluk by extending finance to all eligible farmers expeditiously.

The Chief Secretary, GoK advised Agricultural Department to look in to the matter.

**(Action: All Member banks & Agriculture Department GoK)**

**AGENDA 18: Doubling of farmers Income by 2022**

SLBC Convenor requested all the member banks to provide KCC/working capital to farmers especially for dairy and fishery farmers / fisherman, lend under Agriculture Infrastructure Fund scheme, Animal Husbandry Infrastructure Fund Scheme, PMFME (one district one product scheme), Matsya sampada scheme in view doubling of farmers' income by 2022.

The Chief Secretary, GoK also advised member to achieve ACP to double the farmers' income.

**(Action: All Member Banks & LDMs)**

**AGENDA 19: Discussion on improving rural infrastructure/ credit absorption capacity**

Convenor SLBC informed the house that, Agri infrastructure fund (AIF) scheme and Animal Husbandry Infrastructure Development Fund (AHIDF) scheme are under AatmaNirbhar Bharat Abhiyan

**19.1: Agri Infrastructure Fund scheme:**

Convenor SLBC requested all member banks to guide applicants to get the assistance from District Resource Person and also to advise their branches and administrative offices to cover all activities coming under AIF scheme by routing the application through the AIF portal.

Convenor SLBC informed that out of Rs.2500 crores target, the banks have sanctioned Rs.431 crores with an achievement of 17%.

The ACS & DC, GoK in her speech stated that, as on 02.03.2022 commercial banks have sanctioned only 118 AIF, whereas cooperative banks have sanctioned 885 accounts under Agriculture Infrastructure scheme and expressed concern over the performance of commercial banks

The ACS&DC, GoK advised commercial banks to improve their sanctions under AIF to achieve the set targets and line departments to mobilize more applications to the bank branches.

**(Action: Member Banks, Agriculture and Horticulture departments)**

#### **19.2: Animal Husbandry Infrastructure Fund scheme:**

Convenor informed that, the entrepreneurs can apply for loans under Animal Husbandry Infrastructure Fund scheme through Udyami Mitra portal which covers all infrastructural requirements related to animal husbandry. He also informed that banks have started sanctioning loans under Animal husbandry infrastructure scheme and he requested banks to sanction more and more proposals under AHIDF.

SLBC Convenor requested Department of animal husbandry and fisheries, GoK to mobilize proposals and hand hold the entrepreneurs to upload the same in the Udyami Mitra portal and also in DPR preparation.

**(Action: Banks, Department of animal husbandry and fisheries)**

#### **19.3: Financing against e-NWR/Ware House Receipts (WHRs) issued by WDRA registered warehouses (WHs):**

Convenor informed to the house that, the Government of India has enacted the warehousing (Development and Regulation) Act, 2007 to put in place a negotiable warehouse receipt (NWR) system in the country as members are already aware. Prior to this, warehouse receipts did not have a regulatory backup and therefore, did not enjoy the fiduciary trust of depositors or banks.

He further informed that, the Ware housing development and regulatory Authority (WDRA) is set up by Government of India to implement of provisions of the W (D&R) act and mentioned the following details in brief.

- WDRA has developed a robust mechanism of registration warehouses. The registration process is **online** and is **contactless**.
- WDRA can also organize inspections at the request of banks and other financial institutions giving pledge loans against e-NWRs.
- WDRA has implemented a system of electronic Negotiable Warehouse Receipts (eNWR) by issuing certificates of registration to two repositories namely, National E-repository Limited (NERL) and CDSL commodity Repository Limited (CCRL) for creation and management of eNWRs.
- The eNWRs issued by warehouses registered by WDRA for approved commodities are eligible for pledge financing.
- Banks can see the e-NWR on the repository system and mark their lien, which ensures a secure robust system for them. Being closely monitored by WDRA, eNWRs enjoy the trust of banks and other stakeholders.

As advised by Warehousing Development and Regulatory Authority (WDRA), the house requested public Sector banks to extend pledge finance to applicants wanting to pledge e-NWRs and avail loans under the PSL scheme.

Convenor also informed that, the loan given against eNWRs in Karnataka will help our state farmers to avoid distress sale of their produce and get better prices in future and thereby increase their income.

Further, convenor informed that as per IBA letter, if banks can give a forward-looking statement from one year on that they will finance only against e-NWRs from their registered warehouses, this may encourage more warehouses to seek WDRA registration.

The member banks may examine / consider that from one year on that they will finance only against e-NWR issued by registered warehouses under WDRA as suggested by MoCA.

SLBC requested all the public sector banks to extend pledge finance to applicants wanting to pledge e-NWRs and avail loans under PLS scheme.

**(Action: Member banks)**

## **AGENDA 20: Digitalization of Land records (Steps taken for improving land record, progress in digitization of land records and seamless loan disbursements)**

### **20.1 Integration of FRUITS (Farmer Registration & Unified Beneficiary Information System) with Banks**

SLBC Convenor informed the house that FRUITS Portal was rolled out across the state with the effect from 01.11.2021 and all SROs are made live for implementation of FRUITS portal. SLBC convenor requested all the banks state controlling heads to

- A) Advise their regional offices to train and handhold their branches for adoption of FRUITS portal for charge/mortgage creation and release of charge/mortgage for agriculture loans.
- B) Advise their regional offices to coordinate between FRUITS team and their branches for effective implementation seem less workflow.

The Chief Secretary, GoK advised Kotak Mahindra Bank, Tamil Nadu Mercantile bank, IndusInd Bank, Bandan Bank, Equitas SFB and ESAP to on-board to the FRUITS portal.

**(Action: Kotak Mahindra Bank, Tamil Nadu Mercantile bank, Indusind Bank, Bandan Bank, Equitas SFB and ESAP)**

### **20.2 Clarification on Charge creation/form 3 declaration irrespective of agriculture loan amount:**

Convenor SLBC informed the house that ACS e –Governance, GoK has written to SLBC vide: DO. No. DPAR (e-Gov) 283 ACS 2021 dated 21.10.2021 to advise banks including cooperative banks to go in for Form 3 for creating charge or for creating mortgage irrespective of loan amount for all agriculture loans as per the Karnataka Agricultural Credit Operation and Miscellaneous Provisions Act (KACOMP) 1974.

Convenor SLBC also informed the house that major banks had raised objections to the e-Governance, GoK letter on creation of Charge/Form 3 declaration irrespective of loan amount as bankers are creating charge for lesser agriculture loan amounts and mortgage

for higher loan amounts as per the legal opinion received from their respective panel advocates. SLBC has already forwarded legal opinions of major banks to the e-Governance, GoK and e-Governance is yet to come on this issue.

The Chief Secretary, GoK informed the house that he would call a meeting for e-Governance, GoK and law secretary, GoK to set right the issue of mortgage issue.

**20.3: Sub -Register Offices are insisting for Bank Manager's Aadhar Card during Mortgage creation and lien cancelation.**

SLBC Convener informed that LDM Shimoga and Dharwad have received representations from branches on sub registrars seeking Aadhaar Card number of branch managers for Mortgage creation and lien cancellation. He requested GoK not to insist Aadhaar number of branch managers as they are executing documents in their official capacity.

The Chief Secretary, GoK advised the Inspector General of registration and stamps, GoK to instruct all the sub registrar offices not to insist for Aadhaar number of branch managers for creation of mortgage and lien cancellation, when they are executing documents in their official capacity.

**(Action: Inspector General of registration and stamps, GoK)**

**AGENDA 21 :Sharing of success stories and new initiatives at the district level that can be replicated in other districts or across the State**

Convenor informed the house about the success story of Sri. Sridhara M trained by RSETI Holalur as shared by State Director of RSETIs.

**AGENDA 22 : ISSUES REMAINING UNRESOLVED AT DCC/DLRC MEETING**

Convenor advised LDMs to conduct DCC and DLRC meeting regularly for each quarter as per time guidelines by involving/inviting all respective stake holders and furnish the unresolved agenda to SLBC. The Convenor also advised not to combine DCC and DLRC meetings.

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 house that 3 sub-committee meeting viz., 1. Agri & Allied activities, 2.SHG-linkage, and 3. Deepening of Digital Payment were conducted by Convenors of SLBC Sub-committees for quarter December 2021.

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: AatmaNirbhar Bharat Abhiyan**

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

Convener SLBC informed house that the Scheme would be applicable to all loans sanctioned under GECL during the period from the date of issue of these guidelines by NCGTC to 31.03.2022 or till guarantees for an amount of Rs 4,50,000 crore are issued (considering all components of ECLGS), whichever is earlier.

Convenor SLBC also informed the house that in Karnataka, member Banks have sanctioned 229117 accounts amounting to Rs 11156.72 cr.

The Chief Secretary, GoK expressed concern about performance of private banks in ECLGS loan disbursements.

Convener 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 requested all member banks to cover all PM SVANidhi beneficiaries and their families under Prime Minister's Jan Suraksha Schemes (PMJSS) on priority basis in coordination with Urban Local Bodies,

Various review meetings were conducted by ACS & DC, GoK with LDMs and Member banks and state line departments in coordination with SLBC and ACS&DC. GoK opined that banks have not sanctioned pending applications.

Smt. Manjushree, MD, NULM has informed bank wise sanctions, disbursement and pendency under PMSVANidhi schemes. MD NRLM was not happy about disbursement under the scheme.

General Manager, Canara bank has informed that Canara bank has sent bulk SMS to all eligible customers.

Chief Secretary, GoK advised MD, NULM to organize camp for loan documentation in coordination with Bankers and ULBs and requested her to submit the note for waiver of stamp duty in respect of PMSVANidhi loan agreements.

The Chief Secretary advised all member banks to sanction and disburse all pending applications under the schemes.

Convener SLBC informed bank wise progress under PMSVANidhi schemes and also requested member banks to sanction all pending applications and disburse all sanctioned loans.

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

**24.2a: Socio Economic profiling (SVANidhi Se Samruddi) as on 31.12.2021**

Convener SLBC informed that GOI identified 7 corporations under Socio Economic profiling in Karnataka state.

Convener SLBC requested all member banks to cover all PM SVANidhi beneficiaries and their families under Prime Minister's Jan Suraksha Schemes (PMJSS) on priority basis in coordination with Urban Local Bodies.

MD, NULM explained about the PM schemes which coming under socio Economic profiling.

**24.3: New Centrally Sponsored Scheme for "PM - Formalization of Micro food Processing Enterprises (PM FME)"**

Convener informed the house that 139 applications have sanctioned by banks and 202 applications rejected at branch level. Further he informed that GOK has issued orders for having increased the subsidy from 35% to 50%, thus granting additional 15 %.

ACS & DC, GoK expressed her displeasure over the poor performance under PMFME scheme and requested all member banks to sanction all pending applications.

Chief Secretary, GoK has opined that sanction is less than total rejections.

**State Project Manager, PMFME has briefed the house about scheme, major issues of the scheme and expressed his displeasure about performance of DCC banks under the scheme. – to be checked**

Convener requested all member banks to sanction all pending applications, if not eligible, to return the applications with valid reason.

**(Action: All Member Banks, LDMs, Special officer of PM FME, Agricultural department-KAPPEC)**

**AGENDA 25 : Other Issues**

**25.1. Expansion and deepening of Digital Payment Ecosystem**

Convenor informed that LDM Haveri and Yadgir have submitted survey report and review format 1 & 2 for the Dec 2021 quarter. 7<sup>th</sup> Digital Sub-Committee meeting was held on 24.01.2022.

Convenor requested the digital subcommittee and LDMs of Haveri and Yadgir district to improve the performance of member banks especially in case of Current accounts in both districts and advised all banks to ensure 100% digitization of both **Savings accounts and Current accounts.**

The Convenor advised LDM Yadgir and LDM Haveri to coordinate and take necessary action to achieve 100% digitisation in Yadgir and Haveri Districts.

The Convenor requested all state controlling heads of member banks operating in Yadgir and Haveri District to coordinate with LDM Yadgir, Haveri, SBI, BoB and also advised to take necessary action to achieve 100% digitisation in Yadgir and Haveri Districts.



RBI also advised SBI and BOB to provide nodal officers of banks for implementation of Expansion and deepening of Digital Payment Ecosystem in Yadgir and Haveri districts.

**(Action: Convenor SBI- Expansion and deepening of Digital Payment Ecosystem, State Controlling Head-BoB, SBI, LDM Yadgir, LDM Haveri, All banks State controlling Heads- functioning in the district and SLBC)**

#### **25.2. Cybercrime reporting and response:**

This is in continuation of our 155<sup>th</sup> meeting agenda no 25.2.

Convenor informed the house that, the SOP finalized by RBI has already been provided to all Banks by SLBC vide letter no.013/SLBC/2020/Cybercrime dt.15.01.2021 for adoption of SOP and its implementation on or before 31.01.2021 by inviting opinion/suggestion on SOP since 07.11.2020.

Convenor also informed that, SLBC has received confirmation from only 15 Banks viz., State Bank of India, Bank of Baroda, Karnataka Bank, City Union Bank, Dhanalakshmi Bank, Federal Bank, Karur Vysya Bank, Indusind Bank, Yes Bank, KVGB, Ujjivan Bank, DCB Bank, HDFC , Suryodaya Small Finance Bank and RBL about adoption of SOP & its implemented by Bank for handling cyber frauds in Karnataka.

SLBC requests remaining banks to comply the directions of RBI in handling cyber frauds in Karnataka state.

**(Action: All remaining Member Banks)**

#### **25.3: Performance of Karnataka Farmers resource Centre, Bagalkot (KFRC):**

Convenor informed that, the functioning of KFRC being reviewed on quarterly basis through Board of Trustees meeting. 34<sup>th</sup> KFRC Board of Trustees meeting was held on 10.01.2022 through video conference under the chairmanship of Managing Trustees and Convenor, SLBC Karnataka. The architecture for new KFRC building construction and compound wall design have been finalized.

UBI representative informed the house that, new Executive Director has joined from Union Bank of India during January 2022.

#### **25.4: Implementation of Kannada language by Banks.**

Convenor SLBC informed that, SLBC has received several references from The President, Kannada Abhivruddi Pradhikara, GoK regarding better implementation of Kannada in bank branches in Karnataka state, without giving scope for complaints from general publics.

Hence, all member banks and LDMs are requested to ensure:

1) Availability of account opening forms, loan applications, challans etc., in Kannada language at all 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 aspects in DLRC, DCC and BLBC meetings with district coordinators of banks and bank branch Managers.

The state controlling office of banks have 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.

**(Action: All Member Banks, LDMs, State Director of RSETIs/RUDSETIs, Sponsor banks of FLCs)**

#### **25.5: Special Agenda on Saturation drive on Jan Suraksha Schemes:**

Based on the speech made by Hon'ble Prime Minister, on independence day 2021."a campaign is being initiated for enrolment of persons eligible under the three schemes namely Jan Suraksha Schemes (JSS) viz. Pradhan Mantri Jeevan Bima Yojana (PMJJBY) for life cover, Pradhan Mantri Suraksha Bima Yojana (PMSBY) for personal accident cover and Atal Pension Yojana (APY) for pension. Campaign commenced from 02.10.2021 for achieving saturation enrollment under each of the PMJSS schemes of the unenrolled accounts by 30.09.2022.

DFS has instructed SLBC to conduct special SLBC meeting towards saturation of eligible persons under the three PMJSS schemes that include both digital campaigns and periodic physical camps/drives, the first round of which began on 02.10.2021. Entire banking system is directed to gear up for the saturation of PMJSS schemes. Convenor SLBC requested the banks to take initiatives in this regard at the earliest.

Convenor SLBC also requested all the State controlling office of banks and LDMs to participate actively in Saturation drive on Jan Suraksha Schemes, provide necessary advice/instruction to their concerned bank branches and play active roles according to Department of Financial Services, Ministry of Finance, GOI.

SLBC has submitted its request to the Kutumba department, GOK for sharing details of electoral who have attained majority during the past three years.

SLBC once again requested the state government to share the data at an early date.

SLBC requested all 15 Banks to submit saturation drive Jan Suraksha PMJDY and PMMY data on weekly basis in-time and enable SLBC to upload data in DFS portal. (BOB, BOI, BOM, Canara Bank, Central Bank of India, Indian Bank, Indian Overseas Bank, Punjab & Sindh Bank, Punjab National Bank, SBI, UCO, Union Bank of Indian, Jammu & Kashmir Bank, KGB and KVGB.)

**(Action: All Member Banks & Concern State Government department)**

#### **Agenda 25.6 : Activities under Azadi ka Amrit Mahotsav (AKAM) in Karnataka state**

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

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

All the public sector banks have to :

1. identify 75 branches in the state for opening 75 Jandhan accounts.
2. Provide 75 micro insurances.
3. Sanction 75 KCCs, 75 Mudra Loans, loans to 75 women entrepreneurs, 75 SC/STs, 75 PM SVANidhi loans, 75 education loans etc during iconic week.

SLBC has written letter vide 362/SLBC/0070/HPR/2021/ AKAM/2, Dated: 21-12-2021 to members and LDMs of Karnataka state wherein requested PSBs and LDMs to celebrate "Azadi ka Amrit Mahotsav (AKAM)" in Karnataka state as per direction of DFS, GOI.

(Action : All Member Banks)

#### **Agenda: 25.7 :SVAMITVA Scheme**

As apprised by Ministry of Panchayati Raj, Hon'ble PM has launched the SVAMITVA Scheme on 24.04.2020 with the objective to enable demarcation of inhabited land in rural areas by using the latest drone survey technology. The scheme aims at bringing financial stability to the citizens in rural areas by enabling them to use their residential property as a financial asset for availing loans and other financial benefits.

The DFS letter with vide No. 6/30/2021-FI (C-509718) dated 01.11.2021 and letter of Ministry of Panchayati Raj N-19011/7/2021-Governance dated 27.10.2021 and Note on SVAMITVA Scheme (a. The Brief Steps in the scheme, b. Objective of the Scheme, c. Scheme Achievements and d. Way forward details) are already placed as agenda in 155<sup>th</sup> SLBC meeting and advised banks and departments concerned for necessary action.

The demarcation of abadi areas would be done using drone Surveying technology, with the collaborative efforts of the Ministry of Panchayati Raj, State Panchayathi raj Department, State revenue Department and Survey of India.

#### **Objective of the Scheme:**

- I. Creation of accurate land records for rural planning and reduce property related disputes.
- II. To bring financial stability to the citizens in rural India by enabling them to use their property as a financial asset for taking loans and other financial benefits.
- III. Determination of property tax, which would accrue to the GPs directly in States where it is devolved or else, add to the State exchequer.
- IV. Creation of Survey infrastructure and GIS maps that can be leveraged by any department for their use.
- V. To support in preparation of better-quality Gram Panchayat Development Plan (GPDP) by making use of GIS maps.

Convenor requested State Government Departments concerned (Viz., Revenue Department, Department of rural development and Panchayat Raj , SS & LR), Banks and house to deliberate the issue regarding SVAMITVA about followings:

1. Recognition of property cards by Banks, as authentic legal documents.
2. To examine all issues related to use of SVAMITVA Property Cards for mortgage purpose for facilitation of additional loan facilities.

In connection with banks view on above two aspects, Convenor requested state government departments concerned to provide necessary details under SVAMITVA Scheme shall confer absolute ownership rights to the holders with unconditional right of transfer.

**(Actions: Revenue Department, Department of rural development and Panchayat Raj, SS & LR and All Member Banks)**

#### **Agenda 25.8: KHAJANE II – Pending Reimbursement of Karnataka State Pension to Canara Bank**

Convenor informed the house that, the Canara Bank is representing to SLBC Karnataka for reimbursement of pending claims of an amount of Rs. 580.64 crores from Karnataka State Pension department.

Convenor informed the house that, Centralized Pension Processing Centre (CPPC), General Administration wing, Canara Bank is handling Karnataka State Pensions on behalf of Government of Karnataka. Karnataka State Treasury has implemented the package KHAJANE II for online submission of scrolls (claims) & reimbursement without submission of hard copies of scrolls since January 2021. Canara Bank was the first to implement through this package. Accordingly, since January 2021, all pension payment scrolls disbursed by Canara bank have been submitted online through their bank SFTP server except for the outstanding amounts due to issues at Khajane II.

Issues at Khajane II - The package was implemented from January 2021. However, the bank states that following issues are still pending at Khajane II side due to which Canara bank unable to place scrolls for pending amounts.

1. Non development of scrolls for the Reconciled Records.
2. Non Migration of data for Reconciled DCRG (Death Cum Retirement Gratuity) & CVP (Commuted Value of Pension)
3. Non providing of PMOE (Pension Memorandum of Errors) Analysis sheet from the month of April to be shared by Khajane II Team.
4. Non-Updation of Change Scrolls for all the months
5. Non-Updation of DA Slab Rates
6. Non-Provision of Case IDs for the Newly Added Records
7. Non-Migration of PPOs.

Canara Bank vide their repeated letters taken up with Commissioner of Treasuries (CoT) for reimbursement of pending amount. Canara Bank also states that, the weekly review of pending reimbursement is being conducted by Commissioner of Treasuries (CoT), however an amount of Rs.580.64 crores is still pending as on 12.01.2022.

SLBC, requested the Finance Department GoK for early reimbursement.

SLBC once again requests Finance Department to look into the matter and advice concerned department for early settlement of pending reimbursement of Karnataka State Pension claims of Canara Bank.

The Chief Secretary GoK informed that the matter will be taken-up with Concerned Department.

**(Action: Finance Department GoK, Commissioner of Treasuries GoK)**

**Agenda 25.9: Standardized Bankers certificate/Line of Credit (BC/LOC) letter to be issued by the Banks.**

Convenor informed the house that, Karnataka Bank it's vide letter states that, the Banks are extending various types of funded credit/non funded credit to the customers by way of BC/LOC. However, the different department of the government prescribe different formats for BC / LOC to be issued by the banks.

In this connection, as requested by Karnataka Bank, the SLBC requested the state Government to advice its' Finance department for a standardized format for BC / LOC to be issued by the Banks.

**(Action: Finance Department, GoK)**

**Agenda: 25.10: Grievances of Coffee growers:**

Grievances raised by the coffee board chairman came up for discussion. Chief Secretary, GoK advised banks to restructure coffee loans as per RBI guidelines when there is natural calamity declared by state government and also to extend fresh loans to farmers subsequent to restructuring of existing coffee loans.

Coffee Board Secretary informed the house that banks are restructuring coffee loans as per master directions of RBI but they are insisting for the additional security for the fresh loans.

SLBC Convenor informed the house that banks are restructuring the coffee loans as per RBI master directions and they may seek for additional land as security for additional/fresh loans as per their bank credit policies.

Coffee Board Secretary informed the house that the Hon'ble Supreme Court in it's order on special appeal ( C ) No. 3102/2021 arised out of impugned final judgment and order dated 29.01.2021 in WA 538/, 2020 of Hon'ble High court of Karnataka between Sri. U M Ramesh rao & others and Union Bank of India on SERFAESI Act , has directed that " issue notice and status quo" shall be maintained and he requested the chair to advise banks to not precipitate with SERFAESI action with respect to coffee borrowers.

SLBC Convenor informed the house that the Hon'ble Supreme Court's order and Hon'ble high court order are pertaining to individual case and hence banks cannot be directed to stop action under SERFAESI for recovering dues from coffee loan borrowers.

**(Action : Member Banks)**

## **Agenda 26 : Table agenda of RBI**

### **Agenda-26.1: Status of Opening of Banking Outlets in Unbanked Villages within a radius of 5 Km from the village**

Convenor informed the house that, Indlavadi Grama Panchayat is in Anekal Taluk of Bengaluru Urban District with a population of 10,800. RBI, Bengaluru is in receipt of letters from Shri. A. Narayanaswamy, Hon'ble Minister of State for Social Justice and Empowerment, Government of India dated 29 January 2022 and Shri. D. K. Suresh, Hon'ble Member of Parliament (Lok Sabha), Bengaluru Rural Constituency dated 31 January 2022, expressing concern on the lack of branch of Nationalized Bank within a radius of 12 Kms from the Gram Panchayat and mentioned requirement of Branch of a Nationalized Bank and/or ATM, in newly constructed MPCs Building located in Anekal- Kanakapura Main Road, Indlavadi Village of Indlavadi Grama Panchayat, Anekal Taluk, Bengaluru Urban District.

In this regard, the Lead District Manager (LDM) Bangalore urban to ensure discussion with member banks in the district and take appropriate measures and advised LDM to discussed as an agenda item in the ensuing DCC and DLRC Meeting and necessary action may be taken at the earliest, to resolve the grievance of the residents of Indlavadi Grama Panchayat.

**(Action : Bangalore urban LDM and Member banks)**

### **Agenda-26.2: Root Cause Analysis of Customer Complaints received at RBI, Bengaluru**

Convenor informed the house that, RBI, Bengaluru had conducted the captioned study on the Root Cause Analysis (RCA) of the customer complaints received at Customer Education Protection Cell (CEPC), RBI Bengaluru for the period July 2020 to March 2021.

The major findings from the study are as follows: -

- (i) **Bank Guarantee Related Complaints:** These constitute the major chunk of the complaints received during the captioned period. It has been observed that banks were encashing the Bank Guarantees (BGs) without consent of beneficiary and without submitting original BGs.
- (ii) **Complaints against Mis-selling of Loans:** - Consumers availing loans from certain e-Commerce websites were found to be generally unaware that they were taking a loan through banks because of associated tie-ups between the two entities and their details were updated with CIBIL. There is a need to create awareness amongst customers as to whether the e-commerce entities have any collaboration with banks/ NBFCs registered with Reserve Bank of India, before availing "Pay Later" scheme offers from such e-commerce sites.
- (iii) **Complaint against Payment Aggregators/Payment Gateways:** - Most of the complaints were cases of transfer of funds where accounts were being debited from the sender, but the amounts were not credited to the beneficiary. In this regard, there is a need to create awareness amongst public regarding the need to be more vigilant about the frauds happening during online purchase /sale transactions.
- (iv) **Complaint against Third Party Apps:** - There is a need to enhance awareness amongst public about the settlement of complaints regarding digital transactions through third party applications like Google Pay etc., wherein the complainants

need to follow the Standard Operating Procedure (SOP) detailed at National Payments Corporation of India (NPCI) website.

- (v) **Complaints against Urban/Commercial Banks under All-Inclusive Direction:**  
- Large number of complaints received are those related to permission to withdrawal of deposits held with the bank.

The Banks and line departments are requested to take-note of the same for necessary action.

**(Action: Member banks and Line Departments)**

**Agenda : 27 : Skill Initiatives taken by Agriculture Skill Council of India (ASCI):**  
**To Promote Credit availability to the Certified Candidates under various Central and State Sector Schemes imparted through ASCI.**

Representative from ASCI South Zone Bengaluru informed the house that, the certification program in agriculture and allied activities being offered by ASCI with industry-backed, electronically verifiable and National Skill Qualification Framework (NSQF) aligned certification to the trainees under flagship skill development programmes of the Government of India, such as Prime Ministers' Kaushal Vikas Yojana (PMKVY), Rashtriya Krishi Vikas Yojana (RKVY), Mission for Integrated Development of Horticulture (MIDH) and all the skill development programmes under the State Skill Development Missions such as CMKKY in Karnataka.

The SLBC convenor requested the member banks in the State to provide credit facilities to the Agriculture Skill Council of India (ASCI) certified candidates under various Skill Schemes viz. PMKVY, RKVY, MIDH, State Skill Development Mission (SSDM) funded Skill programmes such as CMKKY and various line departments skill development programmes in Karnataka.

**(Action: All member Banks)**

**Agenda :28 : Adoption of one time settlement scheme of SBI by other banks.**

Convenor informed that, SLBC has received representation dated: 23.02.2022 from Akhila Karnataka Dalimbe Belegarara Horaata Samithi, Kushtagi and letter of Deputy Commissioner, Koppal forwarded by Director of Horticulture, office of Directorate of Horticulture, GoK vide mail dated 20.02.2022 wherein they have requested for adoption of One Time Settlement Scheme of SBI in other Nationalized Banks. This was already discussed in 155<sup>th</sup> SLBC meeting held on 12.11.2021.

During deliberations SLBC and Chief Secretary, GoK informed that formation of One Time Settlement policy is dependent on individual banks' Board Decision. SLBC has no role in implementation of banks OTS policies. The Chief Secretary, GoK suggested member banks and RRBs to examine the issue.

**(Actions: All Member Banks)**



## **Agenda: 29 Study on credit offtake to MSME sector by RBI**

Convenor informed that the detailed discussion was held in agenda no 8.IV. Reserve Bank had conducted an all India study on credit offtake to the MSME sector, wherein the number of new MSME accounts opened by Scheduled Commercial Banks (SCBs) and disbursement of MSME loans made by SCBs during the last four financial years (2018-2021) was analysed.

The important findings of the study are highlighted below:

### **Salient observations of the study:**

#### **A. Bank group wise data on loans disbursed to new MSME accounts**

- i) The number of new MSME accounts opened by **Scheduled Commercial Banks** (SCBs) reported an increase during the years analysed except for the year ended March 2021 reporting a decline of 59.71%. The amount disbursed to new MSME accounts reported a decline of 19.23% for the same period. The major reason could be attributed to the mandatory registration on Udyam portal for classification of units as MSMEs and COVID-19 induced lockdown and restrictions.
- ii) The new MSME accounts opened by **Public Sector Banks** (PSBs) reported an increase of 38.55 % for the year ended March 2021 compared to March 2020, however the amount disbursed during the same period reported a marginal increase of 1.29%. It could be attributed to small ticket loans.
- iii) The new MSME accounts opened by **Private Sector Banks** (PvSBs) reported a decline by 78% in March 2021 compared to March 2020, mainly due to mandatory registration on Udyam portal for classification as MSMEs. While for the same period, the amount disbursed reported a decline of 30.38%.

#### **B. Segment wise data on loans disbursed to new MSME accounts**

- i) The new accounts in **Micro** segment reported a decrease of 62.03% for the year ended March 2021 compared to March 2020, while the amount disbursed during the same period reported a decrease of 37.16%, which could be attributed to mandatory registration on Udyam portal and lesser degree of formalization in the sector.
- ii) The new accounts in **Small** segment reported a decrease of 7.70% for the year ended March 2021 compared to March 2020, while the amount disbursed during the same period reported a decrease of 21.27%.
- iii) The new MSME accounts in **Medium** segment reported an increase of 39.87 % for the year ended March 2021 compared to March 2020, and the amount disbursed during the same period reported an increase of 55.71%. With the introduction of new definition of MSMEs w.e.f. July 1, 2020, it

appears that medium segment has expanded due to inclusion of large enterprises in medium segment.

**C. Loan disbursement data for MSME sector (bank group wise)**

- i) The loan amount disbursed by SCBs reported a decrease of 3.44% for the year ended March 2021 vis-à-vis March 2020.
- ii) PSBs reported an increase of 75.22 % in the number of accounts for the year ended March 2021 vis-à-vis March 2020. However, the loan amount disbursed during the same period reported a decline of 2.60%, which could be due to small ticket loans as also slowdown in economic activity during the pandemic.
- iii) PvSBs reported a decline of 5.97% in the loan amount disbursed for the year ended March 2021 vis-à-vis March 2020, while the number of accounts reported a decrease of 14.41%.
- iv) Foreign Banks reported an increase of 8.56% in the loan amount disbursed for the year ended March 2021 vis-à-vis March 2020, while the number of accounts reported a decrease of 22.22%.

**D. Loan disbursement data for MSME sector (segment wise)**

- i) The loan disbursed to micro segment reported a decrease of 11.47% for the year ended March 2021 vis-à-vis March 2020, while the number of accounts to which loan was disbursed reported a marginal increase of 3.36% for the same period.
- ii) The loan disbursed to small segment reported a decrease of 9.03% for the year ended March 2021 vis-à-vis March 2020, while the number of accounts to which loan was disbursed reported an increase of 23.51% for the same period. This could be attributed to small ticket loans disbursed under various Government schemes as also slowdown in economic activity during the pandemic.
- iii) The loan disbursed to medium segment reported an increase of 37.95% and the number of accounts to which loan was disbursed reported an increase of 54.58%, for the year ended March 2021 vis-à-vis March 2020. This could be due to the likely inclusion of large enterprises as medium segment post new definition of MSMEs.

**SLBC has requested to member Banks to draw an action plan for improving the credit offtake to the MSMEs and on-boarding new units.**

**(Action: All member banks including private banks, MSME Sub-Committee-Convenor UBI and I & C, MSME department)**

**Agenda .30: Status of opening of Banking Outlets (Branch/BC) in unbanked villages within a radius of 5 KM from the village: (extended part of agenda number 3.2)**

Convenor informed the house that, SLBC Karnataka has received 334 unbanked villages list as on 07.02.2022, from DFS through email. SLBC has verified all 334 villages in Jan Dharshak app (FI-PLAN portal), and found **9 villages** are not covered by any Bank branch/BC/IPPB centers.

SLBC Karnataka has allotted those 9 villages as under:

Canara Bank (1), SBI (6) and Karnataka Grameena Bank (2) to appoint BC point and SLBC Karnataka has already updated BC allotment list in Jan Dharshak app.

Convenor requested Canara Bank, SBI and Karnataka Grameena Bank to appoint BC immediately and same update in Jan Darshak app and confirm to SLBC.

The Chief secretary GoK advised Canara Bank, SBI and KGB to complete these task on or before 15.03.2022.

**(Action: Canara Bank, SBI and KGB)**

Convenor informed that as observed in Jan Dharshak portal, there are 126 BC points out of 334 villages which are wrongly marked as forest area, barren land and water body instead of building and SLBC has already requested 10 member banks to update correct location in the portal immediately.

SLBC have received confirmation only from **Karnataka bank (7)** as of now and yet to receive conformation from BOB (8), CANARA (37), FINO payment bank(2), HDFC (1), IOB(1) , KGB (35), SBI (35) , UBI (9) and UCO (2).

Convenor once again requested above mentioned banks to update Jan dharshak app and confirm SLBC on or before 15.03.2022.

The Chief Secretary, GoK advised member banks to complete this task on or before 15.03.2022.

**(Action: BOB, Canara Bank, FINO Payment, HDFC, IOB, KGB, SBI, UBI and UCO)**

**RSETIs : ( it is already available in 4.6 agenda)**

KSRLPS department informed about Rs.24.76 cr is pending to be released by SRLM to various RSETIs in Karnataka .

**(Action: Concerned Line Department GoK)**

## Conclusion

The 156<sup>th</sup> SLBC meeting concluded by proposing **Vote of thanks** by Smt. R Anuradha General Manager, Canara Bank.

  
(A Muralikrishna)  
Convenor, SLBC Karnataka  
& General Manager, Canara Bank





PROCEEDINGS OF THE 156<sup>th</sup> SLBC MEETING HELD ON 02.03.2022



Photos of the 156<sup>th</sup> SLBC meeting held on 02.03.2022

**SLBC – KARNATAKA**  
**LIST OF PARTICIPANTS**  
**156<sup>th</sup> SLBC Meeting held on 02.03.2022**

Sl. No.	Name Shriyuths -	Designation	Organization
1	Sri. P Ravi Kumar	Chief Secretary	Govt of Karnataka
2	Mrs. Vandita sharma	Addl. Chief Sec. & Dev. Com.	Govt of Karnataka
3	Mr. Brij Mohan Sharma	Executive Director	Canara Bank(Through VC)
4	Sri. R Gurumurthy	Regional Director	Reserve Bank of India (Through VC)
5	Sri. Niraj Kumar Verma	Chief General Manager	NABARD (Through VC)
6	Sri. A Muralikrishna	Convenor- SLBC & GM	Canara Bank
<b>STATE GOVERNMENT DEPARTMENTS (Through VC)</b>			
7	Umashankar S R	Principal Secretary	Agriculture Department
8	Manju Prasannan Pillai	Secretary (Fiscal Reforms)	Finance Department
9	Sunil Kurtkoti	Advisor	Finance Department
10	Pankaj Kumar Pandey	Principal Secretary	Industry & Commerce ,MSME
11	Rajendra Kumar Kataria	Secretary	Horticulture & Transport
12	Dr.S Selva Kumar	Secretary	Skill Development
16	Salma Fahim	Secretary	Animal Husbandry & Fisheries
17	B.K. Dikshit	Commissioner	Agriculture Department
18	N Manjushree	MD NLM	DAY NULM
19	Vinoth Priya	Director MSME	MSME
20	Ishwar Poojari	ASCI South Zone representative	Agriculture Skill Council of India (ASCI)
<b>Reserve Bank of India (Through VC)</b>			
21	R Sudeep	General Manager	Reserve Bank of India
22	A K Pathak	Deputy General Manager	Reserve Bank of India
23	N Nagaraj	Asst. General Manager	Reserve Bank of India
24	Santhaprakash S	Manager	Reserve Bank of India
<b>NABARD (Through VC)</b>			
25	Riktika Moitra Mukherjee	Asst. General Manager	NABARD
<b>CONVENOR – Canara BANK</b>			
26	T S Vasudevatatachar	Divisional Manager	Canara Bank
27	Nagaraja B	Senior Manager - SLBC	Canara Bank
28	Ravikumara	Senior Manager - SLBC	Canara Bank (Through VC)
29	Rajasha H. P.	Senior Manager - SLBC	Canara Bank
30	M Vidya	Manager- SLBC	Canara Bank
31	Ankur	Officer - SLBC	Canara Bank
<b>PUBLIC SECTOR BANKS</b>			
32	R Anuradha	General Manager	Canara Bank
33	Anand	Senior Manager	Canara Bank
34	S Radhakrishnan	General Manager	State Bank of India
35	Vinita Shoune	Deputy General Manager	State Bank of India
36	Shankar Rao P	Deputy General Manager	State Bank of India (Through VC)
37	S V Srinivas	Chief Manager	State Bank of India
38	Sudhakar D Nayak	General manager	Bank of Baroda
39	B Indumathi	Senior Manager	Bank of Baroda

40	Sunil Kumar Yadav	Deputy General Manager	Union Bank of India
41	Nagaraj Deshnur	Chief Manager	Union Bank of India
42	Sweta	Representative from UCO Bank	UCO Bank
43	Rajkamal	Representative from Central Bank of India	Central Bank of India (Through VC)
<b>PRIVATE BANKS (Through VC)</b>			
44	Mary Jennifer	Representative from LVB	Lakshmi Vilas Bank
45	Prakash Gadiyar	Representative from HDFC	HDFC Bank
46	Raveendrasn O	Representative from EFAF SFB	EFAF SFB
47	Ravikumar	Representative from Suryoday SFBank	Suryoday SFBank
48	Sushma Shetty	Representative from IDBI Bank	IDBI Bank
49	Suman Gupta	Business Co-Ordinator	Kotak Mahindra Bank Ltd.
<b>CO OPERATIVE BANKS/ OTHER BANKS/INSTITUTIONS (Through VC)</b>			
50	Sujyothi Monnappa	Deputy General Manager	Apex Bank
51	Sanjeev Hugar	Manager	Apex Bank
<b>Grameena Bank (Through VC)</b>			
52	G Pradeep Varma	General manager	Karnataka Grameena Bank
53	P Srinivas Rao	General Manager	Karnataka Vikas Grameena Bank
<b>Lead District Managers (Through VC)</b>			
54	Revathi Sudhakar	LDM	Hassan
55	Madhusudhan	LDM	Bengaluru rural
56	Praveen M P	LDM	Dakshina Kannada

SI No	Name of Participants in VC Screen	Name of Participants in VC Screen	Name of Participants in VC Screen
57,58,59	M D NLM Karnataka	NABARD Bangalore	Ambika JDA & GM KAPPEC
60,61,62	Nagendra	Nishita – SPMU PMFME	NN Narendra IOFS DIRECTOR
63,64,65	PD FRUITS	Pawan Padwa UIDAI	PD DBT
66,67,68	Secretary Housing, Karnataka	Prabhakara, HI,AIGR Comp	Prakash Gadiyar HDFC
69,70,71	Rajender Kumar Kataria	Prasam Laha	Pushpa H L
72,73,74	Karnataka Slum Development	Rajkamal central bank Bangalore	Director Horticulture, Karnataka
75,76,77	Ravikumar – Suryoday Bank	Ravi	Ravichandra
78,79,80	Rogini Selvaraj	RBL	RGRHCL Karnataka
81,82,83	Somashekar H S	SBI RO Bangalore	SMM S & SI
84,85,86	Akash Gupta	State Director-Bengaluru	Sunil Kumar MK
87,88,89	Bank of India Hubli Dharwad	Swaroop T K Co-ops	Bank of India
90,91,92	CSB Bank	Shivakumar SM	KMRSTDCL
93,94,95	Raveendran o ESAF SFB	Prashant Shenoy	MD Adijambava Coop
96,97,98	Ishwar	Retail	RameshSK
99,100,101	ADA CI	Addl RCS-Karnataka	ADR1 KTK LSA
102,102,104	CSB	Bangalore CR	PMU Team

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