**STATE LEVEL BANKERS’ COMMITTEE: KARNATAKA**

**CONVENOR**

**CANARA BANK: HEAD OFFICE, ANNEXE: BENGALURU**

**AGENDA NOTES FOR 150th SLBC MEETING &**

**BANKING STATISTICS AS ON MARCH 2020**

As per the revised RBI guidelines on Lead Bank Scheme, the SLBC convened the Steering Sub-committee Meeting on 16.06.2020at Board Room, 3rd Floor, Canara Bank HO Annexe, Bengaluru under the Chairmanship of Sri T Manivannan, GM, SLBC. The list of participants is provided in Annexure-1 (Page no. 40).The suggestions of the members were taken for incorporation in the final Agenda for the 150thSLBC meeting. At the beginning of the Steering Sub-Committee, DGM, SLBC in his welcome address, invited the participants to the meeting.

**AGENDA 1.0: CONFIRMATION OF THE MINUTES OF148th and 149thSLBC MEETING HELD 20.03.2020 and 02.05.2020 respectively.**

The Minutes of 148th SLBC meeting held on 20.03.2020 and 149thSpecial SLBC meeting held on 02.05.2020 and amendments in the proceedings of the 149th Special SLBC meeting were circulated to all the member banks and Govt. departments. The Minutes of the same may be approved as no suggestions for amendment were received. Copy of the proceedings is appended to this Agenda as Annexure-2 (page no. 41 to 66) and annexure - 3, Page No 67 to 85)

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**AGENDA 2.0: FOLLOW-UP ACTION ON THE DECISIONS TAKEN DURING THE**

**PREVIOUS SLBC MEETING**

|  |  |  |
| --- | --- | --- |
| **Sl.** | **Action Points** | **Action Taken** |
| **01.** | **Standardized system for direct flow of data from CBS of the member banks:**  During 148th SLBC, GM-SLBC informed the House that the extensive discussions with the vendor has taken place and vendor had given technical demonstration through VC and thorough deliberations on the matter were held with the participants. It was also informed that SLBC has moved forward in issuing a PO to the vendor. | All standard data templates have been provided to the member Banks and LDCMs.  The Block codes downloaded from the LG Directory, GOI website has been circulated to all the Banks & LDCMs for mapping their branches in the state with the respective Block codes. The vendor has been finalized and PO has already been issued to the vendor.  SLBC requests all the Banks to map their Branches with the block codes provided, so that we can move forward with the data extraction. |
| **02.** | **Flow of Credit to CLSS Pradhan Mantri Awas Yojana-Urban (PMAY-Housing for All 2022)** | There is satisfactory progress under PMAY sanctions. Special review meeting on PMAY were also conducted by Chief Secretary at periodical intervals.  Ujjivan Bank- SFB and Bhandhan Bank have obtained list of applicants for special consideration of proposals for sanction by them. |
| **03.** | **Status of opening of banking outlets (Branch/BC) in unbanked villages within a radius of 5 KM from the village:**  DFS has sent a list of 214 unbanked villages to be covered by Branches/BCs within a radius of 5 KM from the village. | Out of 214 villages list received from DFS, 201 centres have been covered by banking outlets and status has been updated in the Jan Dhan Darshak app.  Out of the rest 13 villages, SLBC has requested the concerned Banks to open banking outlets and update the latitude/longitude position in JDD app. The villages pending with Banks are:   1. India Post Payments Bank – 6 2. Federal Bank Ltd. – 2 3. Karnataka Grameena Bank – 3 4. UCO Bank – 2   Karnataka Grameena Bank has confirmed that the 3 villages are covered by Bank Mitras within a radius of 5 KM from the village, but due to technical glitch, the same is not visible in JDD app. SLBC and KGB has already taken up the matter with the DFS Technical Team.  All the Banks mentioned above are requested to do the needful by 19.06.2020. |
| **04.** | **Opening of Branches in “Aspirational Districts”:**  SLBC has informed the concerned Banks like SBI in Kotha village of Lingasugur block and KGB in Honagera of Yadgir block to expedite the process of opening of Brick and Mortar branches in these allotted villages. | In Kotha village already SBI has opened full Pledged banking outlet. In Honagera village KGB has informed that, apart from exclusive BC operating in Honagera village KGB is having Hattikuni Branch within 4 km distance and extending all the banking facilities to villagers of Honagera. Hence, they are requesting to consider the same and treat it as covered. (Annexure-4, page no. 86 to 96) |

**AGENDA-3: Status of opening of banking outlets in unbanked villages, CBS- enabled banking outlets at the unbanked rural centres (URCs)**

As per the latest information, 1 centre remain as uncovered village in the State as against 609 villages originally identified by DFS and allocated to various banks. The details are as under:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Sl.**  **No.** | **Name of the Bank** | **No. of uncovered villages** | **No. of Banking outlets** | | |
| **Target** | **Already opened** | **Pending for opening** | **Remarks** |
| 1 | Kotak Mahindra Bank | 4 | 3 | 1 | As mentioned below Kotak Mahindra Bank is awaiting further guidance in this regard. |
| 2 | All other Banks | 605 | 605 | 0 |
|  | **Total** | **609** | **608** | **1** |

The PDO, GP Managalli has given letter that, in general body meeting of GP they have recommended to open the Branch in Managalli village which is GP-Head quarter will cover surrounding 7 villages rather than Alagumole of Kollegaltaluk of Chamarajnagar district. Since it is a small village with less population and situated adjacent to thick forest with no transportation facility. House to take decision in this regard. (Annexure- 5, page no. 97)

**3.1: Status of opening of Brick and mortar branches in villages having**

**Population of 5000 and more:**

As per RBI roadmap foropening of Brick and Mortar branches in villages having

Population of 5000 and more. Out of 210 villages initially identified only in 2 villages, the concerned banks are yet to open Brick & Mortar branches or BC has to be deployed as per RBI Banking outlet definition contained in RBI Circular. No. BAPD.BC.69/ 22.01.001/2016-17 dated 18th may 2017.

In spite of continuous follow–up from SLBC and also assurances given to the House by the concerned banks in various Meetings, action is still pending. The SLBC strongly urge these banks to comply with the RBI guidelines without further delay.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Sl. No.** | **District Name** | **Taluk** | **Village Name** | **Population (2011 census)** | **Present status of opening of branches in villages** |
| 1 | Chamarajanagar | Chamarajanagar | Amachavadi | 7,221 | PNB: they are unable to identify the BC since no person is interested; they have requested GP to help in this regard. SLBC request that the process should be completed by August, 2020. |
| 2 | Bidar | Basavakalyan | Yerandi | 5,405 | Axis Bank: they have already given work order to agency because of the Covid-19 lockdown the process is delayed. SLBC request Axis Bank to complete the process by the end of this month. |

For December 2019 quarter 6 villages were pending out of which in four villages 1)Jaferabad of Gulbarga block, Gulbarga district - Bank of Baroda 2) Yalgi village of Shorapurtaluk, Yadgir district – Karnataka Bank Ltd., 3) Adihudi village of Jamkhandi taluk of Bagalkot district- Bank of Maharashtra all have deployed independent BCs fulfilling the RBI banking outlet definition 4) Federal bank has opened Brick and mortar branch in Koyyur village of Beltangadi taluk, Dakshina Kannada district.

SLBC is regularly following up with the pending two Banks to expedite the Opening of either Brick or Mortar branches or to deploy independent BCs in allotted villages and report the progress to RBI and SLBC from time to time.

**3.2: Review of operations of business correspondents–hurdles / issues Involved:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| As on March 2020 | Total No. of BC locations | No. of active BCs available | No. of inactive BC locations | Of which No. of BCs resigned |
| 150th SLBC | 7136 | 6892 | 244 | 21 |

From the above table, it may be noted that:

* Out of 7136 BC locations, in 6892 BC locations the BCs are active and doing transactions through Micro ATMs.
* There are 244 BC locations the BCs are inactive which includes 21 BC locations wherein BCs have resigned.

**3.3: The bank wise details of inactive BCs and places where BCs have resigned are as under:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl** | **Name of the bank** | **Total No. of BC locations** | **No. of inactive BCs** | **No. of BCs resigned** |
| 1 | SBI | 2197 | 49 | 0 |
| 2 | Karnataka Grameena Bank | 1300 | 65 | 15 |
| 3 | Canara Bank | 1065 | 38 | 0 |
| 4 | KVGB | 706 | 9 | 0 |
| 6 | Bank of Baroda | 658 | 0 | 0 |
| 7 | IOB | 63 | 10 | 0 |
| 8 | Union Bank of India | 80 | 8 | 0 |
| 9 | Kotak Mahindra Bank | 68 | 15 | 0 |
| 10 | Bank of Maharashtra | 17 | 6 | 0 |
| 11 | Karnataka Bank Ltd. | 83 | 12 | 0 |
| 12 | Andhra Bank | 2 | 0 | 0 |
| 13 | Indian Bank | 22 | 4 | 0 |
| 14 | PNB | 15 | 5 | 0 |
| 15 | Central Bank of India | 34 | 3 | 0 |
| 16 | Bank of India | 74 | 8 | 6 |
| 17 | **All other Banks** | **752** | 12 | 0 |
|  | **Total** | **7136** | **244** | **21** |

SLBC requests the banks where BCs have resigned or inactive to initiate steps for making these centers full pledged centers.

**AGENDA 4.0: Financial inclusion Initiatives**

**4.1: Financial literacy initiatives by banks, particularly digital financial literacy.**

Data on literacy camps conducted by **FLCs and rural bank branches** for the Quarter ended March 2020 is furnished as under:

|  |  |  |
| --- | --- | --- |
| **Type of Camps conducted** | **During the quarter ended** | |
| **March 2020** | |
| No. of Programs conducted | No. of people benefitted |
| Special Camps | 3916 | 262546 |
| Target specific camps (Farmers, SHG members, School children, Sr. citizen, labourers oriented programmes) | 7071 | 581107 |
| Out of target specific camps, camps conducted for school children. | 1332 | 119880 |
| **Total No of Camps ( Special camps and Target specific camps)** | **10987** | **843653** |

SLBC requests all the member banks to oversee the functioning of FLCs and also to ensure that correct reports are submitted to SLBC.

**4.2: Resuming Aadhar enrolment and updation activities at AECs of Banks**

SLBC convenor has received a letter from UIDAI, Ministry of Electronics and Information Technology with reference number F No.: R-11013/22/2020-RoB/Vol-IX/13 dated 06.05.2020 (annexure 6, page no. 98 to 101) wherein they have requested SLBC to consider commencement of Aadhaar services in banks in areas/zones where the same is permitted by the state/district administration.

SLBC has written letter vide ref 134/2944/SLBC/2020-21/AEC dated 01.06.2020 (annexure 7, page 102) to The chief Executive officer, Centre of e-Governance, MS building, Bengaluru to accord the permission for reopening of bank backed AECs to resume enrolment and update activities at their AECs.

We request GoK to permit banks to resume enrolement and update activities at their AECs.

**AGENDA 5.0 KCC, Saturation of PM Kisan beneficiaries with KCC saturation, Saturation of dairy farmers connected with milk federation with Dairy KCC, PMFBY issues.**

**5.1 KCC Loans:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Disbursed during FY 2019-20** | | **Cumulative O/S as on 31.03.2020** | |
| No. of Cards (Lakh) | Amount (Crore) | No. of Cards (Lakh) | Amount (Crore) |
| 33.75 | 30802 | 46.42 | 51719 |

Banks are requesting to advise the bank branches to ensure issue of KCC to all eligible, Agriculturist, Animal husbandry and fisheries farmers in the state.

Bank wise data on KCC loan for the FY 2019-20 is provided in the Annexure 8(Page no.103 )

District wise data on KCC loan for the FY 2019-20 is provided in the Annexure 9 - (Page 104)

**5.2: Allowing banks to renew KCC accounts by collecting only interest portion:**

We are aware that Covid 19 pandemic led lockdown has disrupted all the sectors in general, Agriculture sector in particular. Farmers were unable to harvest their farm produce on time due to restricted movement of laborers during lockdown period and also it also made them to go for distress sale. Although RBI extended the moratorium of 6 months starting from March 2020 to August 2020 through their regulatory packages to tide over cash flow during Covid 19 pandemic, it will not suffice the farmers to bring the entire principal and interest for renewal of KCC loans as it is mandatory to bring the KCC account to credit balance to renew the KCC account as per RBI guidelines. Hence we request RBI to permit the banks to renew KCC accounts by taking only interest portion from farmers.

SLBC has been receiving representations from banks, farmers association and farmers to renew KCC loans by taking only interest portion (representation of Karnataka vikasha Grameena Bank annexure 10, page 105 to 106).

**5.3. Saturation of PM Kisan beneficiaries with KCC:**

Govt of India had launched a special drive starting from 08.02.2020 for covering all PM Kisan beneficiaries under KCC scheme. The drive which started on 10th Feb 2020 and continued till end of April 2020.

In Karnataka state, out of 5.08 lakh received KCC applications, 3.04 lakh KCC applications were sanctioned with total sanctioned limit of Rs 2248crores as against target of 4 lakh KCC accounts for campaign period 12.02.2020 to 30.04.2020 (annexure 11, page no. 107).

Now the second phase of special drive started from 1st June 2020 to 31st July 2020 to issue KCC to agriculture and allied activities.

SLBC has already given bank wise PM Kisan beneficiaries list to all the concerned banks to saturate the left out beneficiaries with KCC. Banks are required to extend the KCC for the left out beneficiaries as per the extent guidelines.

**5.4: Sharing of KCC and other agriculture borrower details to GoK**

ACS & DC, GoK requesting bankers to share the KCC details of all the banks along with Aadhar details for de-duplication of PM Kisan beneficiaries and to find out the left out beneficiaries for PM Kisan saturation

**5.5:Issuance of KCC-AH to dairy farmers of Milk Cooperatives and Milk Producer Companies:**

Ministry of Fisheries, Animal husbandry and Dairying has launched Special drive from 1st June to 31stJuly 2020, for providing all dairy farmers of Milk Cooperatives and Milk producer companies with Kisan Credit Card (KCC).

SLBC requests all the banks to go through the various advisories issued by DFS, Ministry of fisheries, Animal Husbandry and dairying on providing KCC to all the dairy farmers (Annexure -12, page no. 108 to 123) connected with Milk unions and Milk producing companies and extend KCC to dairy farmers in the mission mode as per extant guidelines.

As per the advisories issued by Ministry of Fisheries, Animal husbandry and Dairying Karnataka Milk Federation need get the KCC forms printed and get them filled by the farmers by utilizing the services of Dairy Cooperative Societies secretaries. Secretary of the Milk Society needs to certify on specific numbers of cattle and milk supplied to the society in the last financial year and their milk payment is being done through DBT in the account number mentioned in the farm. And "Extension officer/Assistant Manager/Deputy Manager of Milk union" needs to recommend KCC loan for milk pourer by accepting/acknowledging the correctness of the certificate of the secretary of milk society.

**5.6. PMFBY AND RWBCIS:**

**5.6.1. PMFBY notification for the Kharif 2020:**

Agriculture department, GoK has issued the notification on implementation PMFBY Kharif 2020 along with various Annexures vide notification number AGD/78/AAD 2020 dated 06.06.2020 and SLBC has circulated the same to all banks and LDMs.

As per Revamped PMFBY Guidelines loanee farmer can “opt out” from the scheme by giving declaration, mentioning that the farmer does not want to participate in the schemes any time during the year for the upcoming season but at least 7 days before the cutoff date. If farmers wants to join back the scheme then, he is mandatorily required submit the “opt in” declaration.

## **5.6.2. Crop insurance claims settlement pertaining to PMFBY Kharif 2017, Kharif 2018 and Rabi 2018 by banks as directed by The CEO, PMFBY, GOI**

The Joint Secretary and CEO, PMFBY, Ministry of Agriculture and Farmers welfare, GOI has directed all the concerned banks to settle the pending claims pertaining to PMFBY Kharif 2017, Kharif 2018 and Rabi 2018 vide letter F. No. 13012/04/2017-credit –II (Pt-1) dated 30.04.2020. Based on this letter SLBC has written letter to all the concerned banks controlling head of the state vide letter no.122/PMFBY/CLAIM/2017-18/18-19/614/banks dated 06.05.2020 to make the settlement claims pertaining to PMFBY Kharif 2017, Kharif2018 and Rabi 2018 by banks. Status of settlement of claims by the banks is given in the in the annexure -13 (page no. 124)

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

1. **Season wise claim settlement status under PMFBY as on 31.05.2020 (annexure 14, page no.125)**
2. **Season wise claim settlement status under RWBCIS as on 31.05.2020 (annexure 15, page no. 126)**

**5.7 Use of K-Kisan portal and using of FRUITSID (Farmer Registration and Unified beneficiary Information System) in sanction of Agriculture based loans.**

Agriculture Department, GoK has intended to provide login credentials to the bank branches in K-Kisan portal where branches will be enabled to access the farmer’s details including land holdings by feeding their Aadhar number details. More details and clarification will be given by Agriculture department, GoK in the meeting.

**Agenda 6.0 Crop Loan Waiver Scheme -2018**

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

The GoK under CLWS-2018 has released Rs. 7160.40 Crore towards crop loan accounts of 9, 62,260 farmers of commercial Banks including RRBs till 12.06.2020.

The phase-wise, Bank-wise details of the CLWS amounts released to commercial banks including RRBs are provided in the Annexure 16 (Page no 127 to 129).

Further, the bank-wise consolidated details of CLWS-2018 amount released provided here below::

|  |  |  |  |
| --- | --- | --- | --- |
| **Bank wise Amount released by the GoK under CLWS-2018 to Commercial banks & RRBs as on 12.06.2020** | | | |
|  |  | **Amount in Lakhs** | |
| **S N** | **Name of the Bank** | **Total amount since inception** | |
| **No of A/cs** | **Amount** |
| 1 | PRAGATHI KRISHNA GRAMIN BANK | 272782 | 172337.65 |
| 2 | KARNATAKA VIKAS GRAMEENA BANK | 133280 | 86591.76 |
| 3 | CANARABANK | 102544 | 91134.04 |
| 4 | STATE BANK OF INDIA | 159730 | 123593.94 |
| 5 | KAVERI GRAMEENA BANK | 75402 | 63922.25 |
| 6 | SYNDICATE BANK | 62214 | 48862.61 |
| 7 | VIJAYA BANK | 44355 | 38292.20 |
| 8 | CORPORATION BANK | 36980 | 38605.69 |
| 9 | UNION BANK OF INDIA | 10890 | 8309.75 |
| 10 | Karnataka Bank Ltd | 9043 | 6129.82 |
| 11 | ICICI Bank Ltd. | 6881 | 3603.83 |
| 12 | BANK OF INDIA | 6108 | 5020.10 |
| 13 | Indian Overseas Bank | 7463 | 4519.20 |
| 14 | CBI | 4916 | 3904.08 |
| 15 | PUNJAB NATIONAL BANK | 4698 | 3384.84 |
| 16 | HDFC Bank | 4908 | 3308.35 |
| 17 | AXIS BANK LTD | 3957 | 2010.80 |
| 18 | INDIAN BANK | 2947 | 2493.53 |
| 19 | Bank of Maharashtra | 2979 | 2594.36 |
| 20 | IDBI BANK | 2199 | 1900.61 |
| 21 | ANDHRA BANK | 1975 | 1176.76 |
| 22 | Oriental Bank of Commerce | 829 | 834.29 |
| 23 | RBL Bank | 663 | 332.98 |
| 24 | DCB BANK LTD. | 208 | 72.62 |
| 25 | KBS BANK | 270 | 101.06 |
| 26 | ALLAHABAD BANK | 54 | 40.87 |
| 27 | Kotak Mahindra Bank | 558 | 282.98 |
| 28 | UCO BANK | 1231 | 1275.76 |
| 29 | DENA BANK | 669 | 587.51 |
| 30 | Tamilnad Mercantile Bank | 11 | 4.44 |
| 31 | United Bank of India | 3 | 3.11 |
| 32 | BANK OF BARODA | 1185 | 533.97 |
| 33 | Federal Bank | 284 | 204.38 |
| 34 | KarurVysya Bank | 40 | 69.42 |
| 35 | South Indian Bank | 4 | 1.25 |
|  | **Total** | **962260** | **716040.82** |

**6.2: Crop loan Waiver Scheme: Important actions to be taken by Banks on Priority:**

* Banks are requested to provide information on or before 18.06.2020 (Format provided in annexure 17 (page no.130) about waiver/incentive returned accounts on the account of wrong categorization of accounts while uploading crop loan data, as it is required by CLWS Spl cell to process the data for release of eligible amounts.
* As per the request made by banks, CLWS Spl cell has sent XSD file for Uploading of leftover eligible accounts as per extant guidelines of CLWS and banks are requested to upload leftover eligible accounts and inform the department.
* Bank wise entering of alternate account pendency (Pendency at Manager level and Pendency at DGM level) in case of closed accounts after 31.12.2017 is provided in annexure 18 ( page no 131).
* The Banks are requested to complete (1) pending for approval of Green listed accounts (2) pending for filing of FSDs and (3) pending for uploading of FSDs.

**6.3: Some of the aspects/issues regarding CLWS 2018:**

With reference to the above subject, few banks/LDMs have raised following issues with respect to crop loan waiver scheme 2018.

1. The Banks like, SBI, Canara Bank, e-SyndicateBank, BOI, KGB, KVGB, UBI and few other banks have to upload left out eligible accounts data to CLWS portal.
2. While filing FSD/after FSD also, message is showing that “Aadhar Authentication Failed, Ration card and Land Verification Failed” by the portal even though customers are giving/given valid documents details.
3. Cases for “Aadhar Name match Failed, Ration card Name match Failed and Mismatch of Land Name and name of the owner as per RTC” and such cases may be pending at TLC. LDM Chikkamangaluru informed that TLC approved cases are moving to FSD locked by TLC in TLC login. Sometime TLC approved cases are also not appearing in Green list and showing Green list as “NO” in CLWS website and also waiver amount not credited but appearing as FSD locked by TLC in TLC login. The same LDM Chikkamangaluru informed that Canara Bank, Panchnahalli branch not able to do 12 FSD to upload because of final save and lock has happen and requesting to reopen the save and lock button to make changes.
4. Banks are facing problem to make changes in FSD filing/uploading (RC/Sy No/Aadhaar) in DEO/Manager login.
5. Some banks such as SBI, AXIS, ICICI, Karnataka Bank, Corporation Bank and few other banks have returned the waiver amount as the farmer is eligible for incentive amount only and NOT waiver, now the banks are requesting to provide incentive for eligible farmers left out. Few Banks have returned the incentive amount as the farmer is eligible for waiver amount and NOT incentive, now those banks are requesting to provide waiver for eligible farmers left out.
6. Krishna Bheema Samrudhi Local Area Bank is representing that in initial stages they have uploaded data, but is some cases (92 accounts) date of opening the accounts is either not picked up / wrongly picked up by the portal ( as 01.01.1900).
7. For cases rejected due to wrong Aadhar/SyNo/Ration card numbers, a further list and guidance/assistance required for such cases.
8. Branches are facing error while converting regular account to overdue accounts (eg where the incentive amount already received and refunded, refunded accounts are enable to convert as green list was already approved, portal is not allowing to convert such accounts, sometime not found in Manager’s login in the CLWS portal).
9. Banks are reporting that even though a farmer has not taken loan from co-operative society and not a co-operative loan waiver beneficiaries, but in portal it is showing as co-operative waiver beneficiaries and it is showing as ineligible, but actually they are eligible.
10. Provision for modification of data, if wrongly entered as Income Tax payer /Pensioner/Co-operative loan beneficiary/Govt or PSU employee in CLWS portal. Also LDCMs also sought clarification on Aadhaar and RC not submitted by customers for waiver and FSD failed cases are pending at branches due to not availability of valid RC and not allowing to approve FSD at the branches. Sometime branches are unable to fetch Ration Card or Aadhaar card details, Land details in CLWS portal (while filing FSD, FSD not saved etc.)
11. The Kaveri Gramina Bank is merged with Pragathi Krishna Gramin Bank and named as Karnataka Grameena Bank. The Karnataka Grameena Bank requesting to route the CLWS credits (ACH Credits) of e-Kaveri Gramina Bank to e-Pragathi Krishna Gramin Bank (Issues in IFSC code and MICR numbers due to amalgamation). KGB of Kamalapur Branch (IFSC code PKGB0011118) of Kalaburgi taluq& District is not reflecting under DGM login for approving alternate account number. KGB of Harapanahalli taluk branches unable to update ration card details under FSD for Harapanahalli taluk branches owing to changes of District from Davangere to Ballari District. KGB of Santhemavathur Branch, Kunigal Taluk in some customer IDs (35010861935, 35000440838, 63140017164, 35001678419, 35016685227) they are unable to upload the FSD as it was already saved and locked at back end and in customer id 35007920114 they are unable to approve in green list showing error no changes is made. KGB, Metikurke branch of Chitradurga District FSD updated details are not moving to FSD failed tab in spite of all the mandatory document details has updated (In-case of 49 accounts).
12. E-KGB requesting for enabling of DGM login to Sri. BC Ravindra, General Manager and in one case of e-PKGB (a/c no 51815354036415) RSL reported has NPA in excel file.

Bank of India: The district ie,( Mysore, Hassan, Kolar,.. etc) is not reflecting under DGM Login ID of Sri S Ramakrishna and only Bengaluru Urban district-Virgonagar Branch is reflecting.

IDBI bank requesting for login credential to DGM Sri.Nebu Thomas Koshy to Mysore-Anand arcade and Mysore Jai Laxmipuram Branch.

Punjab National Bank (e-OBC) Circle office is not able to verify as DGM’s Login is not allowing for ORBC0101109-Hubli Airport Branch, ORBC0101405-Bidar branch.

HDFC bank enable to update the alternate account number in Gulbarga, Shahpur, Yadgir branch.

1. Syndicate Bank informed that even though the banks have verified all the details in green-list but the status is showing as ‘NO’. Syndicate Bank Hubbali RO represented letter dated on 26.12.2019 with subject “CLWS not credited to eligible accounts of Belavanki Branch”, same is forwarded to CLWS.
2. IOB bank Kergalli Salundi branch has reported that two accounts which are mentioned under FSD not filed are already approved by manager and FSD completed and asking guidance procedure to be done at branch level further as these accounts have not come to green list, same is forwarded to CLWS, same cases maybe available with other banks.
3. Karnataka Bank & few other banks requesting to clarify regarding 60 day norms from the date of credit of waiver amount for settling of account under OTS as some farmers are approaching branches even after the cut-off date of 60 days and HDFC requesting to clarify regarding 60 days completed because of some confusion was raised due to shortfall of waiver amount received.
4. LDCM Chikkamangalore informed that Canara Bank, Mallandur Branch (0556) represented that the 36 KCC accounts, wherein Sanction date/renewal date picked-up prior to 01.04.2009 even it was sanctioned/renewed after 01.04.2009 and requesting for modification on the same.
5. Karnataka Bank has informed that, they have yet to receive CLWS amount in case of 3725 accounts and represented to GoK with the subject ‘Permission to resubmit CLWS data’. The Finance Department given letter with reference number FD 08 CAM 2019 dt 04.10.2019 addressed to SSLR for verification by the auditors.
6. ICICI bank states that, in their 340 NPA category still they have not received waiver amount.
7. AXIS bank asked clarification to department for the customers who closed both loan account and SB account in case of feeding of alternate account numbers in case of closed accounts after 31.12.2017.

**6.4 Other CLWS Issues:**

A copy of the draft on **Internal Audit by Banks on CLWS GoK 2018** prepared by SLBC along with Annexures/tables/Certificates has sent to Advisor to FD GoK, CLWS Spl Cell and CLWS sub-committee members banks for their feedback. Feedback received from banks is provided in annexure 19 (page no. 132). We will submit a draft Internal Audit booklet (provided as Annexure-20, Page no. 133 to 154) to Finance Department, GoK for their approval and perusal. After approval by GoK, the participating banks shall start the process of carrying out internal audit.

**7.0: Waiver Scheme for Fisheries loans availed with interest subvention @2% in FY 2017-18 and 2018-19 in Commercial banks and RRBs :**

SLBC has been informed by the Director of Fisheries that, the process is initiated on Fisheries loan waiver. SLBC has circulated guidelines (Kannada & English) issued by fisheries department, GoK to all the controlling head of Banks and 3 coastal district LDCMs (Provided in Annexure21, Page no. 155 to 185).

The department is also enabled portal for entering of data and doing FSDs for bank branches. Hence all the banks and 3 coastal LDMs are requested to advise their branches to complete the process as per the extent guidelines.

**AGENDA 8.0: DISCUSSION ON MARKET INTELLIGENCE ISSUES - RBI.**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Name of the entity** | **Nature of the Activity / Brief summary of the case** |
| **1** | **M/s Eagle Eye Traders, Bengaluru City.** | Received information through RBI SACHET portal; it is alleged that the captioned entity is **accepting funds from public / investors by advertising high rates of returns of 3% auto bank transfer, referral commission 0.5% for 20 days and binary Commission of 10%**. |
| **2** | **LR Trading, Bengaluru** [www.longrichtech.com](http://www.longrichtech.com/) [www.lrtrading.biz](http://www.lrtrading.biz/) | **Address 1**: 22nd Floor, World Trade Centre, Brigade gateway campus, Malleswaram, Bengaluru **Address 2**: # 1833, 41st Cross, 3rd floor, Jayanagar, 9th block, Bengaluru  **Address 3:**No. 8, Sanjeevani annex, Sathy Main Road, Ganapathy, Coimbatore-641006  Received complaint through RBI SACHET portal; It is alleged in the said complaint that the captioned entity is collecting money since September 2019 in guise of investments under assurance of **2 to 3 percent daily returns for 200 days.** |
| **3** | **SaiGokul Finance, Gulbarga** | Complaint received from Consumer Education and Protection Cell (CEPC), RBI, Bengaluru.  In the complaint it is alleged that one individual named Mr. Keshava Rao, a chartered accountant and a private money lender, has been running **Sai Gokul Finance(Earlier known as Goverdhan finance)**and is allegedly carrying out illegal financial activities such as ‘*black money’* handling and also allegedly charging excessive interest rates for his customers against housing loans and vehicle loans.  Further it is also alleged that the staff of the said entity are illegally collecting blank bank cheques from the investors and partners and purportedly threatening them u/s 138 of NI Act. |
| **4** | **Vevetos Wellness Centre Private Limited** [www.vevetos.com](http://www.vevetos.com) Unit No. 2201A, World Trade Center,22nd floor, Brigade Gateway campus, Malleswaram (W), Bengaluru – 560055. | As per the newspaper reports, the captioned entity has allegedly carried out **multi-level marketing business** and reportedly sold certain wellness products and has allegedly cheated members of general public by promising commission of 8% on introducing new members.  Company is found to be registered with RoC- Coimbatore with CIN U74995TZ2017PTC029828  FIR has been lodged in Ashok nagar police station against company’s CEO and VP. |

|  |  |
| --- | --- |
| No. of frauds | Amount involved in crores |
| 1129 | 6.96 |

**AGENDA8.1: RBI OTHER AGENDA FOR 150TH SLBC MEETING:**

1. **Progress of implementation of IWG**

The Internal Working Group on Agricultural Credit had made certain recommendations which are at various stages of implementation by State and Central Governments. The following issues were also discussed at the 148th SLBC meeting.

1. Ensure that the “Bhoomi” platform achieves 100% digitization of land records of the state and is made fool proof to allow banks and financial institutes to view records, register charges, etc. with ease.
2. State Governments to promote and conduct awareness drives for land consolidation so that the farmers can achieve economies of scale and have the incentive to make long term investments.
3. State Governments to allocate a larger portion of their borrowing from RIDF for the purpose of absorbing funds for rural infrastructure development in the state.
4. **Conduct of DCC/ DLRC meetings**

In terms of extant instructions(MC on Lead Bank Scheme) Lead Banks are required to prepare an Annual Schedule of DCC and DLRC meetings on Calendar year basis in consultation with all the concerned in the beginning of each year and circulate the same to all members to enable them to attend the DCC and DLRC meetings. Lead Banks are also advised to ensure that DCC and DLRC meetings are either convened clubbing meeting of present quarter with that of previous quarter(s) or both the meetings are held simultaneously. Lead Banks may be advised to ensure that DCC/DLRC meetings are not held simultaneously and also held every quarter to avoid clubbing of meetings.

1. **PRAGATI meeting**

The Pro-Active Governance and Timely Implementation meeting held on January 22, 2020 to review the implementation of social security schemes such as PMJJBY & PMSBY, vide RBI letter dated April 7, 2020. In view of the concerns shared therein, SLBC was requested to advise banks to take the following action to increase the coverage and spreading awareness among targeted beneficiaries under PMJJBY and PMSBY.

1. Conduct periodic publicity campaigns with special focus on rural areas at regular intervals for creating awareness about benefits of Social Security Schemes.
2. Streamline procedures and leverage technology to speed up claim settlement process and improve outreach.
3. Ensure that no eligible Jan Dhan account holders are left out from availing the risk covers under PMJJBY and PMSBY.
4. Enrol beneficiaries of other government scheme like PM Ujjawala, PM Kisan, MGNREGA etc. under the scheme.
5. Use SMS and other digital platforms to make account holders aware of the schemes and also seek auto debit mandate from them.
6. Leverage marketing Channels like Banking Correspondents(BCs) for ensuring Pan India coverage and innovate ways be devised for motivating the field level functionaries for enhancing enrolments, especially under PMJJBY and PMSBY and
7. Fix target of fresh enrolment under PMJJBY and PMSBY to enhance enrolment till March 31, 2021.

The status report of the implementation of these schemes has to be placed in the ensuing SLBC meetings.

1. **100% Digitization of Raichur district**

While assessing the progress of digitization in Raichur District as of May 2020, it can be seen that the total number of operative Savings bank accounts were 2228836, out of which Debit/Rupay cards coverage was observed as 41.25%. Net banking coverage was found to be 6.23% and Mobile Banking/UPI/USSD coverage stood at 13.55%. The total number of operative Savings Bank accounts covered with at least one of the facilities namely Debit/Rupay cards, net banking, mobile banking, UPI, USSD were 800096 and percentage of such accounts to total operative accounts was 35.9. The total number of operative Current Accounts were 43095, out of which number of net banking to Cas was 15432, percentage of Net banking coverage was 35.81. The number of POS/QR availed by Current Accounts was 4395 and percentage coverage of POS/QR was 10.2 out which POS/QR issued to shopkeepers (other than CA holders) was 5768, POS/QR issued to Government/Public Service providers was 89 and the same issued to other was 4989, the total POS/QR other than Current Account holders figured at 10818. With regard to Financial Literacy, camps on Digital Financial Literacy were recorded at 140230 and participants were about 10186.

Of the total 2228836 SB a/cs, 35.9% have been covered by at least one of the facilities- Debit/Rupay cards, net banking, mobile banking, UPI, USSD.

Still 64.1% of SB a/cs need to be covered.

In our letter dated January 23, 2020, SLBC was advised, inter alia, to conduct field level assessment/ survey of the district identified by the SLBC for making them 100% digitally enabled and allocate targets for merchant on-boarding per branch in the district. SLBC may apprise if the field level assessment/survey of Raichur has been conducted and information with regard to branch-wise targets (metro/urban/semi-urban/rural) assigned to banks for on-boarding merchants/traders/utility service providers as well as latest achievement position.

1. **Deepening and Expansion of Digitalization eco system- NFSI Vision.**

**AGENDA 9: NABARD’s AGENDA FOR 150thSLBC MEETING**

**9.1: Support to Government of Karnataka under RIDF**

As on 31.03.2020, 43564 projects have been sanctioned to the Govt. of Karnataka under RIDF I-XXV covering Irrigation projects, Flood Protection Works, Ground Water Recharge Structures, Roads, Bridges, Godowns, Rural Markets, Primary Schools, Secondary Schools, First Grade colleges, ITIs, Polytechnic Colleges, Backward Classes Hostels, PU Colleges, AnganwadiCentres, Primary Health Centres, Watershed development, Village Knowledge Centers, Rural Service Centers, Sericulture and Fish Jetties as detailed below:

**Sector Wise RIDF details (Tranche I-XXV) as on 31.03.2020**

**(₹. Crore)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Sn** | **Name of the Sector** | **No. of projects** | **Total Financial Outlay** | **Loan Sanctioned** | **Amount Disbursed** |
| 1 | Agriculture and allied projects | 4892 | 1560.86 | 1436.40 | 1035.19 |
| 2 | Social sector projects | 21031 | 3948.20 | 3361.10 | 2195.66 |
| 3 | Irrigation projects | 5048 | 3010.22 | 2712.33 | 2370.43 |
| 4 | Rural roads and bridges | 12593 | 7909.39 | 6449.35 | 5782.43 |
|  | Total | **43564** | **16428.67** | **13959.18** | **11383.71** |

**Impact of RIDF**

The RIDF assistance has helped the state in bringing more than 4.49 lakh ha of land under irrigation. Further, RIDF assistance has helped in creating more than 45383 Km of road length and 57214 m of bridge length besides creation of education and social infrastructure in rural areas. Under RIDF, GoK has undertaken rural infrastructure projects in all the districts of the State benefiting 198 Taluks.

**Irrigation Projects completed during the year 2019-20:**

A total of 95 irrigation projects with project cost of Rs.56.85 Crore and RIDF loan of Rs.54.00 Crore were completed during the year 2019-20. The 95 projects completed during the year 2019-20 has helped the state in bringing 4787.75 ha of land under irrigation. The district-wise details of these projects are indicated below:

**(Rs. Lakh)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **District** | **No. of projects** | **Project Cost** | **RIDF Loan Sanctioned** | **RIDF Loan Released** | **Irrigation potential (ha.) - CCA** |
| BAGALKOTE | 1 | 49.00 | 46.55 | 12.83 | 38.61 |
| BANGALORE RURAL | 1 | 125.00 | 118.75 | 73.91 | 75.00 |
| BELGAUM | 9 | 875.00 | 831.25 | 754.75 | 395.93 |
| BIDAR | 3 | 235.60 | 223.82 | 178.20 | 158.70 |
| BIJAPUR | 5 | 352.00 | 334.40 | 234.77 | 151.02 |
| CHAMARAJANAGAR | 3 | 140.00 | 133.00 | 126.12 | 260.00 |
| CHIKBALLAPUR | 2 | 120.00 | 114.00 | 100.03 | 68.00 |
| CHIKMAGALUR | 3 | 60.00 | 57.00 | 30.73 | 108.20 |
| CHITRADURGA | 6 | 413.00 | 392.35 | 307.92 | 300.93 |
| DAKSHINA KANNADA | 2 | 150.00 | 142.50 | 93.16 | 58.43 |
| DAVANGERE | 10 | 633.00 | 601.35 | 530.87 | 473.77 |
| DHARWAD | 4 | 120.40 | 114.38 | 72.18 | 87.68 |
| GULBURGA | 1 | 88.00 | 83.60 | 73.99 | 33.17 |
| HASSAN | 5 | 267.00 | 253.65 | 227.24 | 198.00 |
| HAVERI | 8 | 335.00 | 318.25 | 268.15 | 246.08 |
| KOPPAL | 2 | 130.00 | 123.50 | 51.79 | 60.31 |
| MANDYA | 4 | 212.00 | 201.40 | 173.70 | 511.49 |
| MYSORE | 4 | 255.00 | 242.25 | 222.09 | 895.95 |
| RAICHUR | 2 | 175.00 | 166.25 | 76.95 | 118.57 |
| SHIMOGA | 6 | 300.00 | 285.00 | 244.99 | 183.95 |
| TUMKUR | 8 | 405.00 | 384.75 | 296.57 | 171.00 |
| UDIPI | 1 | 50.00 | 47.50 | 33.67 | 42.19 |
| UTTAR KANNADA | 2 | 75.00 | 71.25 | 52.96 | 53.73 |
| YADGIR | 3 | 120.00 | 114.00 | 106.78 | 97.04 |
| **Total** | **95** | **5685.00** | **5400.75** | **4344.35** | **4787.75** |

**Estimated gap in storage facilities in Karnataka:**

The Annual Food Grain Production data for the period 2000-01 to 2014-15 indicates that the food grain production crossed 100 lakh MT in 11 years and it has crossed 130 lakh MT on two occasions.

We hence have to peg the maximum annual food grain production at 130 lakh MT with a total warehouse capacity requirement of 65.00 lakh MT. But, the warehouse capacity available in the State for storage of agriculture produce (public & 50% of GBY) is 40.66 lakh MT and the estimated gap in capacity is 24.34 lakh MT. Development of Cold chain infrastructure and even standalone cold storage units, to begin with, can improve the storage and incomes of Horticulture farmers.

**9.2: Farmers Producers Organizations (FPOs) - Convergence with State Government:**

* NABARD has so far promoted 260 FPOs in Karnataka State. The total shareholders of NABARD promoted FPOs is close to 90,000. In addition to NABARD, there are other agencies promoting FPOs in Karnataka State. As these FPOs cater to the interest and empowerment of farming community in general and Small and Marginal Farmers in particular, there is a need to treat all FPOs uniformly in terms of support provided by GoK to the FPOs. SFAC has been extending benefits / assistance to all FPOs irrespective of their origin / promoting agency.

The following suggestions are made for promoting effective convergence of FPOs with State Government:

* Support under all eligible Schemes like agro service centres, input dealership, etc.
* In order to build a culture of professionalism in the FPOs, the Government may advise Management Institutes, Universities, etc. to introduce courses on FPO education in their curriculum / syllabus of Rural Management or Agri-Business Management. To achieve this, Government may incentivise Universities with a Grant Component. Government may encourage the Students to pursue course on FPOs and their fees to some extent may be reimbursed by the Government.
* Presently Agriculture / Horticulture students have to undergo Rural Agriculture Work Experience Programme (RAWEP) and Hands on Training (HOT) Courses in their Final Year. Government may initiate steps to include FPO as a concept in these courses.
* Extension support though ATMA.
* Issue of agent membership in APMC on priority and waiving of charges, if any.

**(ii) For Credit Support:**

* Only few banks have issued policy guidelines for financing the FPOs. Banks may step up efforts for financing the FPOs.
* Banks such as SBI, BOB, BOI, Canara etc., have entered into MOU with SFAC for coverage of FPC financing under Credit Guarantee Fund Scheme and to provide collateral free credit to FPCs.

(iii). The Ministry of Agriculture & Farmer's Welfare, Gol has launched the Capital Investment Subsidy Scheme under restructured National Bamboo Mission during 2018-19. The scheme provides new avenues for bamboo plantation and also for holistic development of its value chain in potential states. The restructured National Bamboo Mission provides for a number of activities which have credit linked subsidy component (www.nbm.nic.in). NABARD has circulated the detailed operational guidelines related with the procedure for sanction and release of subsidy to the all SLBC Conveners vide letter dated 25 June 2019.

**9.3: Ground Level Credit Target for Agriculture -2020-21**

Keeping in view of GOI’s thrust on capital formation in agriculture for increasing production and productivity, a sub-target has been made for agriculture term loan at 38% of the total agriculture credit. LDMs may be advised to review of performance by all banks regularly in the DCC/BLBC forums.

**9.4: Launching of District Annual Credit Plan -2020-21**

It is observed that due to COVID-19, some of the districts have not launched Annual Credit Plan 2020-21 by 31 March 2020. SLBC may advise LDMs to expedite the launching of Annual Credit Plans.

**9.5: Conduct of ACABC workshop and target for sanction of ACABC schemes** NABARD will be conducting ACABC workshops in Dharwad, Bellary, Tumkur, Mysore, Shimoga, Haveri, Gulbarga and Bijapur districts during the year. GOI has allocated a target of 80 applications to be sanctioned by banks in Karnataka for the FY 2020-21.

**9.6: KCC saturation campaign (Crop loan, Animal husbandry and Fisheries)** Banks to issue KCCs to all remaining eligible PM Kisan beneficiaries who had applied for KCCs during the special KCC drive of Govt. of India. Further, Second Phase of Special Drive starting from 1st June 2020 for issue of KCCs to farmers for agriculture and allied activities, targeting to cover 2.5 crore farmers including those engaged in dairy, poultry and fisheries activities. (Ref. NABARD Circular No.146/DoR-43/2020 dated 01 June 2020).

**9.7: Extending Support to Banks under Financial Inclusion Fund(FIF)**

Under the Financial Inclusion Fund(FIF) maintained at NABARD, for FY 2020-21, an allocation of Rs.780.95 lakh has been earmarked for Karnataka for extending support to banks in order to put in place the required Financial Inclusion infrastructure in banks as well as for creating awareness and spreading Financial Literacy.

Considering the prevailing covid-19 situation, the focus will be on promoting digitization across the rural areas. Further, in order to address the regional aspirations and requirements, a differentiated approach has been evolved under the schemes of FIF so as to provide more thrust to backward districts that are constrained by various physical, economic and sociological characteristics, termed as the special Focus Districts (sFDs). In Karnataka, Raichur and Yadgir have been identified as Special Focus districts where under the eligible grant support has been enhanced to 90% of the eligible expenditure incurred by the implementing banks. The grant support for projects in other districts would be limited to 60%, 80% and 90% for Scheduled Commercial Banks (including Payment and Small Finance Banks), Regional Rural Banks and Rural Cooperative Banks.

The details of schemes under FIF are detailed in NABARD circular No.NB.105/DFIBT-04/2019 dated 23 April 2019 already circulated to all banks.

**AGENDA 10.0 BANKING STATISTICS AS OF MARCH 2020:**

10.1 : BUSINESS FIGURES UNDER VARIOUS PARAMETERS:

Amount in Crore

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Particulars** | **March**  **2019** | **DEC 2019** | **March 2020** | **Y-o-Y variation March 2020 over March 2019** | | **Variation**  **March 2020 over DEC 2019** | |
| **Absolute** | **In %** | **Absolute** | **In %** |
| Deposits | 8,94,825 | 9,52,545 | 10,02,575 | 107750 | 12.04 | 50,030 | 5.25 |
| Advances | 7,14,924 | 7,16,380 | 7,49,651 | 34,727 | 4.86 | 33,271 | 4.64 |
| **Credit-Deposit Ratio** | 80 | 75 | 75 | -5 |  | 0 |  |
| Total PSA | 2,93,743 | 2,75,998 | 2,85,959 | -7,784 | -2.65 | 9,961 | 3.61 |
| **% of PSA to Total Advances** | 41 | 39 | 38 | -3 |  | -1 |  |
| Advances to MSME | 1,19,027 | 98,027 | 1,02,811 | -16,216 | -13.62 | 4,784 | 4.88 |
| **% of MSME to Total Advances** | 17 | 16 | 14 | -3 |  | -2 |  |
| Agricultural Advances | 1,29,913 | 1,27,910 | 1,30,905 | 992 | 0.76 | 2,995 | 2.34 |
| **% of Agri. Advances to Total Adv.** | 18 | 18 | 18 | 0 |  | 0 |  |

|  |  |
| --- | --- |
| **Sector** | **Particulars** |
| Deposits, Advances & CD Ratio | There is a Q-o-Q growth of 5.25% in deposits and 4.64% in advances as on March 2020 over December 2019. The CD ratio of the state has remained same as on March 2020 as compared to Dec 2019 quarter. |
| Total PSA | The level of PSA in the State has increased from Rs. 2,75,998crores as on Dec 2019 to Rs. 2,85,959crores as on March 2020 showing an absolute growth of Rs.9,961crores and percentage growth of 3.61% on Q-O-Q basis. |
| Agricultural advances | Agricultural advances have increased from Rs. 1,27,910crores as on Dec 2019 to Rs. 1,30,905Crores as on March 2020, showing an increase of Rs.2,995crores. In comparison to March 2019, there is an increase of Rs. 992crores. |
| MSME sector | The outstanding level under MSME have increased by Rs.4,784crores from Rs.98,027 Crores as on Dec 2019 to Rs.1,02,811 Crore as on March 2020. |

**10.2:Branch Network:**

**(in numbers)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Particulars** | **MARCH 2019** | **DEC 2019** | **MARCH 2020** | **Variation Mar 20 to Mar 19** |
| 1. Rural | 4053 | 4117 | 4270 | 217 |
| 1. Semi-Urban | 2554 | 2550 | 2506 | -48 |
| 1. Urban | 2268 | 2350 | 2364 | 96 |
| 1. Metro | 2265 | 2348 | 2331 | 66 |
| **Total** | **11140** | **11365** | **11471** | **331** |

* The number of bank branches has increased from 11140 as on 31.03.2019 to 11471 as on 31.03.2020, thus showing an increase of 331 branches.
* Bank wise No. of bank branches in the state is provided in Annexure- 22(Page no. 186).

**10.3: ATM Network:**

**(In numbers)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Particulars** | **MARCH 2019** | **DEC 2019** | **MARCH 2020** | **Variation Mar 20 to Mar 19** |
| 1. Rural | 2231 | 2343 | 2358 | 127 |
| 1. Semi-Urban | 3569 | 3533 | 3489 | -80 |
| 1. Urban | 4177 | 4263 | 4295 | 118 |
| 1. Metro | 6755 | 7172 | 7246 | 491 |
| **Total** | **16732** | **17311** | **17388** | **656** |

* The total number of ATMs has increased from 16732 as on 31.03.2019 to 17388 as on 31.03.2020, thus showing an increase of 656 ATMs during the period.
* The no. of ATMs were reduced in Semi Urban areas.
* Bank wise No. of ATMs in the state is provided in annexure 23 (Page no.187)

**10.4: Representations of the peoples’ representatives referred by the RBI and Chief Secretary for opening of branches:** Shri. ShivkumarUdasi, Hon’ble Member of Parliament, LokSabha has requested to open a bank branch in Peta –Alur village of MundaragiTaluk, Gadag District which is a part of his Parliamentary constituency. The village is having more than 6500 population and nearby 4 villages are having population of around 10000. In total about 16500 population. The issue has been already discussed in DLRC meeting. The Peta – Alur village presently serviced by KVGB by their Mevundi Branch situated at 7 kms away from the village. After thorough survey and since scope is there to open a bank branch LDCM, Gadag has recommended for opening of new branch of KVGB in Peta-Alur village. House to deliberate on this issue. (Annexure-24, page 188 to 192).

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

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

The following table shows a comparative analysis of disbursement up to the quarter ending MARCH 2020 of FY 2019-20 vis-à-vis disbursements up to the quarter ending March 2019 of FY- 2018-19.

**(Amount in Cr)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Sector** | **Annual Target 2018-19** | **March 2019** | | **Annual Target 2019-20** | **March 2020** | |
| Achievement | % Ach. | Achieve-ment | % Ach. |
| Short Term Loan | 64972 | 37824 | 58.22 | 72816 | 57804 | 79.38 |
| Agri Term Loan | 33683 | 31879 | 94.64 | 42122 | 33733 | 80.08 |
| Total Agri Loans | 98655 | 69703 | 70.65 | 114938 | 91537 | 79.64 |
| MSE/MSME | 58774 | 81119 | 138.02 | 54074 | 92056 | 170.24 |
| Export Credit | 2649 | 1533 | 57.87 | 2611 | 6731 | 257.79 |
| Education | 4604 | 1179 | 25.61 | 4971 | 1291 | 25.97 |
| Housing | 16786 | 6240 | 37.17 | 25577 | 5869 | 22.95 |
| Social Infrastructure | 1368 | 65 | 4.75 | 1490 | 84 | 5.64 |
| Renewable Energy | 1433 | 64 | 4.47 | 1274 | 2 | 0.16 |
| Other PSA | 14392 | 3291 | 22.87 | 7582 | 2549 | 33.62 |
| Total PSA | 198661 | 163194 | 82.15 | 212517 | 200118 | 94.17 |
| Agriculture (NP) | 508 | 1930 | 379.92 | 1537 | 1517 | 98.70 |
| Education (NP) | 1423 | 778 | 54.67 | 1587 | 573 | 36.11 |
| Housing (NP) | 12213 | 35939 | 294.27 | 12137 | 31845 | 262.38 |
| Personal Loans | 20282 | 17240 | 85.00 | 64909 | 20404 | 31.43 |
| Others | 59062 | 216390 | 366.38 | 22811 | 198747 | 871.28 |
| Total Non-Priority | 93488 | 272277 | 291.24 | 102981 | 253085 | 245.76 |
| **Total Credit** | **292149** | **435471** | **149.06** | **315498** | **453203** | **143.65** |

* ACP achievement vis-à- target during FY 2019-20 and balance outstanding as on March 2019 is provided in Annexure 25 ( Page no. 193)
* Bank wise & sector wise level of achievement in PSA under Annual Action Plan during FY 2019-20 is provided in Annexure 26 (Page no. 194 to 195).
* Bank wise & purpose wise level of achievement in Non-Priority Sector Advances under Annual Action Plan during FY 2019-20 is provided in Annexure 27 (Page no. 196 to 197).

**11.2: Progress in disbursements under MUDRA scheme:**

**Amount in Crore**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Scheme** | **Mar-19** | | **Mar -20** | | **Variation** | |
| **No Of A/Cs** | **Sanction Amt** | **No Of A/Cs** | **Sanction Amt** | **No Of A/Cs** | **Sanction Amt** |
| **Shishu** | 4913740 | 13602.31 | 4738282 | 14039.11 | -175458 | 436.8 |
| **Kishore** | 722789 | 10014.47 | 861216 | 10083.72 | 138427 | 69.25 |
| **Tarun** | 170407 | 6378.57 | 133629 | 6062.9 | -36778 | -315.67 |
| **Total** | 5806936 | 29995.35 | 5733127 | 30185.73 | -73809 | 190.38 |

The above table indicates that the amount financed under MUDRA scheme shown comparatively good improvement during Mar 2020 over Mar 2019 and but there is marginal decrease in sanction in Tarun segment. However, during the year Mar 2020, Karnataka state has secured third position at all India level next to Tamil Nadu (Rs.35006 crores) and Uttar Pradesh (Rs 30949 crores).

In order to ensure Karnataka State to be the topper at all India Level, SLBC requests all the Banks to implement the scheme in a big way in this financial year also.

Bank wise and district wise MUDRA details are provided in Annexure 28 (Page no 198) and Annexure 29 (page no. 199), respectively.

**12.0 :Status of rollout of Direct Benefit Transfer in the State - Aadhaar seeding and Authentication**:

**12.1: MGNREGA:**

As per the information provided by the Dept.:

* There are 65, 93,115**MGNREGA** workers’ accounts in the state as on 04.06.2020.
* Of this, 39,92,941 accounts have been converted into Aadhaar Based Payment which works out to 60.56% as on 04.06.2020.

District wise details are furnished in Annexure 30 (Page no. 200).

**12.2 : Social Security Pensions:**

* The dept. has informed that there are 65.20 lakh Social Security Pension beneficiaries in the State who receive pension through banks and post offices.
* Of this, 56.31 lakh beneficiaries are seeded with Aadhaar numbers.
* However, only 13.12 lakh beneficiaries are having bank accounts and drawing pensions through banks.
* Out of 13.12 lakh pensioners’ bank accounts, only 5.67 lakh accounts are mapped with NPCI as on 09.06.2020.
* District wise Social Security pension accounts mapped with NPCI is provided in Annexure- 31( page no . 201).

SLBC requests controlling offices of all the member banks in the state to direct their branches to ensure opening of accounts of all the beneficiaries and to map with NPCI at the earliest.

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **As on** | **No. of operative CASA**  **A/cs** | **No. of CASA A/cs seeded with Aadhaar** | **% of Aadhaar seeding** | **No. of CASA**  **A/csAadhaar authenticated** | **% CASA A/csAadhaar authenticated** | **No. of operative SB A/cs seeded with mobile No.** | **% of seeding** |
| May 2020 | 774.02 | 667.71 | 86.27 | 399.94 | 51.67 | 656.79 | 85.19 |

**(Figures in Lakh)**

The Bank-wise Progress under Aadhaar seeding of CASA accounts and Mobile seeding of SB a/cs in Karnataka state as on May 2020 is furnished in the Annexure 32 (page no. 202) and annexure 32 A (page no. 203), respectively.

**12.4: Status of Aadhaar enrolment centres in banks in the state:**

UIDAI, Bangalore has informed that as on 2nd June 2020, 293 Active kits are active for the last 30 days.

Bank wise status of readiness of enrolment centres in Karnataka is provided in Annexure 33(page no. 204).

**12.5: Progress under Social Security Schemes:**

**(No. of enrolments in lakh)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Scheme** | **O/s As on Dec 2019** | | | **O/s As on March 2020** | | | **Growth** | |
|  | **Rural** | **Urban** | **Total** | **Rural** | **Urban** | **Total** | **No.** | **%age** |
| PMSBY | 34.62 | 36.73 | 71.35 | 38.45 | 39.61 | 78.06 | 6.71 | 9.40 |
| PMJJBY | 16.24 | 15.91 | 32.15 | 17.80 | 16.41 | 34.21 | 2.06 | 6.41 |
| APY | 5.55 | 6.28 | 11.83 | 6.65 | 6.63 | 13.28 | 1.45 | 12.26 |
| **Total** | **56.41** | **58.92** | **115.33** | **62.90** | **62.65** | **125.55** | **10.22** | **8.86** |

* The performance of banks in all the three Social Security Schemes during the March quarter 2020 is satisfactory.
* The performance under APY is very good compared to two other schemes.
* However, keeping in view the potential available, SLBC requests all the banks to give focused attention to extend the benefit of all these social security schemes to all eligible people in their area of operation on a campaign mode.

The bank wise and district wise progress under all the above social security schemes as on March 2020 is provided in Annexure34,(Page No. 205 to 206) and Annexure 34 A (page no. 207), respectively.

**12.6 Progress under PMJDY:**

**(No. of Accounts in lakh):**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **31.03.2019** | **31.03.2020** | **Variation** |
| **Total No. of A/cs opened** | 137.16 | 160.85 | 23.69 |
| **Total Aadhaar Seeded A/cs** | 112.98 | 121.37 | 8.39 |
| **No. of RuPay cards activated** | 60.14 | 61.01 | 0.87 |

Bank wise details on the above parameters are provided in Annexure-35 (Page no. 208).

**12.7: Providing add-on services through Toll Free Desk for addressing Public**

**Grievances Redressal of Flagship programmes like PMJDY, PMJJBY,**

**PMSBY, APY, MUDRA and PMFBY:**

We are pleased to inform that Toll Free number 1800 4259 7777 is functional through vendor M/s Conneqt Business Solutions Ltd., Hyderabad. The cost of maintaining this add-on service is shared among 19 major banks.

The Toll-free Help Desk has started functioning since July 2019. The total no. of calls received at the Helpdesk from July 2019 to May 2020 is 7589. We request all the member Banks to popularize this Toll Free Number among their customers.

19 major Banks were requested for remitting Rs. 2 lakhs as “Revenue Expenditure Reserve” for Toll free Desk. **The Banks which are yet to remit the amount of Rs. 2 lakhs are HDFC Bank, AXIS Bank, ICICI Bank and Kotak Mahindra Bank.**

Similarly, 19 member Banks were requested to remit Rs. 57,638.20 as Revenue Expenditure for the period from July 2019 to December 2019 for Toll free Desk. **The Banks which are yet to remit the amount of Rs. 57,638.20 are Kotak Mahindra Bank, AXIS Bank, Union Bank of India (e-Corporation Bank) and Indian Bank.** We request these Banks to remit the same at the earliest.

**13.0: Discussion on lending towards government sponsored schemes and impact of these schemes.**

**13.1 Performance underGovt Sponsored Schemes fortheFY 2019-20:**

Latest position on allotment of targets of various Govt. sponsored schemes for the financial year 2019-20is furnished here below and position of achievement as on March 2020 is as below.

**(Amount in lakh)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **SL** | | **Name of the Govt Department/Scheme** | |  | **Target** | | | **Progress** | | **Achievement %** | | |
| **1** | | **Animal Husbandry &Vet services** | | **CAT** | **Phy** | **Fin** | | **Phy** | **Fin** | **Phy** | **Fin** | |
| **Unspent SCSP-TSP** | | 422-SCSP | | Dairy | 944 | 509.76 | | 935 | 504.9 | 99.04 | 99.04 | |
| Pork Stall | 100 | 135 | | 90 | 121.5 | 90 | 90 | |
| 423-TSP | | Dairy | 23 | 12.42 | | 23 | 12.42 | 100 | 100 | |
| Pork Stall | 30 | 40.5 | | 26 | 35.1 | 86.66 | 86.66 | |
| Total | | | | | 1097 | 697.68 | | 1074 | 673.92 | 97.90 | 96.59 | |
| **For women** | | GENERAL WOMEN | | Dairy | 821 | 246.3 | | 282 | 84.6 | 34.34 | 34.34 | |
| S C S P - 422 | | Dairy | 251 | 135.54 | | 71 | 38.34 | 28.28 | 28.28 | |
| T S P - 423 | | Dairy | 135 | 72.9 | | 34 | 18.36 | 25.18 | 25.18 | |
| Total | | | | | 1207 | 454.74 | | 387 | 141.3 | 32.06 | 31.07 | |
| **2** | **Dr. BabuJagjivanram Leather Industries Dev. Corporation Ltd** | |  | |  |  | |  |  |  |  | |
| **A** | Working Capital for Self Employment Scheme | | (Subsidy – Max. **Rs.** 50,000) | | 100 | NA | | 70 | 125.59 | 70.00 | NA | |
| **B** | Establishment of Direct Sale Shop | | (Subsidy – Max **Rs.** 4.00 lakh) | |
| **C** | Mobile sales shops | |  | |
|  |  | | Total | | 100 | NA | | 70 | 125.59 | 70.00 | NA | |
| **3** | **National Rural Livelihood Mission (NRLM)** | |  | |  |  |  | |  |  |  | |
| **A** | SHG Bank Linkage Groups | | NRLM | | 4,55,654 | 10,423.75 | | 5,16,862 | 11,657.88 | 100.00 | 100 | |
|  |  | |  | |  |  | |  |  |  |  | |
| **4** | **KARNATAKA MAHARSHI VALMIKI ST DEV. CORPN.** | |  | |  |  | |  |  |  |  | |
| **A** | Self EmploymentProgramme (SEP) | |  | | 1,310 | 459.50 | | 1154 | 486 | 88.09 | 105.77 | |
| **B** | Skill Development Scheme | |  | | 87 | 217.50 | | 42 | 105 | 48.28 | 48.28 | |
| **C** | ISB | |  | | 1,579 | 6,500.00 | | 731 | 2247 | 46.30 | 34.57 | |
| **D** | Tourist Taxi | |  | | 193 | 579.00 | | 154 | 440 | 79.79 | 75.99 | |
|  |  | | Total | | 3,169 | 7,755.00 | | 2081 | 3278 | 65.67 | 42.27 | |
| **5** | **PMEGP** | |  | |  |  | |  |  |  |  | |
| **A** | KVIC | |  | | 890 | 2,670.33 | | 518 | 2073.66 | 120 | 117 | |
| **B** | KVIB | |  | | 771 | 2,314.30 | | 880 | 2473.19 |
| **C** | DIC | |  | | 1,306 | 3,916.50 | | 2162 | 5830.47 |
|  |  | | Total | | 2,967 | 8,901.13 | | 3560 | 10377.32 |
| **6** | **DR.B.R.AMBEDKAR DEV.CORPN** | |  | |  |  | |  |  |  |  | |
| **A** | SEP (2019-20 Target) | |  | | 1384 | 5699.00 | | 276 | 1094.98 | 20 | 19.21 | |
| **B** | SEP back log for 2018-19 | |  | | 880 | 3738.00 | | 882 | 2582.91 | 100 | 69.09 | |
| **C** | ISB Special Package (M kota) | |  | | 3328 | 9530.50 | | 0 | 0 | 0 | 0 | |
|  |  | | Total | | 5592 | 18967.50 | | 1158 | 3677.89 | 20 | 19.39 | |
| **II** | **Karnataka Adijambava DEV.CORPN** | |  | |  |  | |  |  |  |  | |
| **A** | SEP - PROJECT Upto 5 lakh | |  | | 572 | 2002.00 | | 119 | 403.41 | 21 | 20.15 | |
| **B** | SEP - PROJECT 5 lakh Upto 10 lakh | |  | | 200 | 1000.00 | | 458 | 1447.04 | 229 | 144.00 | |
| **C** | SEP - PROJECT Upto 10 lakg to 20 lakh | |  | | 200 | 1000.00 | | 27 | 44.78 | 13 | 144.00 | |
|  |  | | Total | | 972 | 4002.00 | | 604 | 1895.23 | 62 | 47.35 | |
| **III** | **Karnataka Thanda DEV.CORPN** | |  | |  |  | |  |  |  |  | |
| **A** | SEP - PROJECT Upto 5 lakh | |  | | 228 | 798.00 | | 61 | 202.72 | 27 | 25.40 | |
| **B** | SEP - PROJECT 5 lakh Upto 10 lakh | |  | | 80 | 400.00 | | 201 | 668.41 | 251 | 167.10 | |
| **C** | SEP - PROJECT Upto 10 lakg to 20 lakh | |  | | 80 | 400.00 | | 0 | 0 | 0 | 0 | |
|  |  | | TOTAL | | 388 | 1598.00 | | 262 | 871.13 | 68 | 55.00 | |
| **7** | **D. DevrajUrs BC DevCorpn** | | Chaitanya Subsidy Scheme | | 2,500 | 500.00 | | 1937 | 429.29 | 77.48 | 85.86 | |
|  |  | |  | | 2,500 | 500.00 | | 1937 | 429.29 | 77.48 | 85.86 | |
| **8** | **CMEGP** | |  | |  |  | |  |  |  |  | |
|  | **DIC** | |  | | 1800 | 3600.00 | | 700 | 1191.53 | 38.88 | 33.02 | |
|  | **KVIB** | |  | | 1200 | 2400.00 | | 378 | 695.59 | 31.50 | 28.99 | |
|  |  | | Total | | 3,000 | 6,000.00 | | 1078 | 1887.12 | 35.93 | 31.45 | |
| **9** | **National Urban Livelihood Mission (NULM)** | |  | |  |  | |  |  |  |  | |
| **A** | Self-Employment | |  | |  |  | |  |  |  |  | |
|  | a) SEP-Individual | |  | | 3200 | 6400.00 | | 1194 | 1666.90 | 37.31 | 26.05 | |
|  | b) SEP-Groups | |  | | 300 | 1500.00 | | 105 | 322.27 | 35.00 | 21.48 | |
| **B** | SHG-Bank-Credit-Linkage | |  | | 2460 | 2460.00 | | 675 | 672.00 | 27.44 | 27.32 | |
|  |  | | TOTAL | | 5960 | 10360 | | 1971 | 2661 | 33.00 | 25.69 | |
| **10** | **KARNATAKA STATE WOMEN DEVP. CORP.** | |  | |  |  | |  |  |  |  | |
|  | **Udyogini** | |  | | 4,557 | 2,530.00 | | 1626 | 2678.25 | 35.68 | 105.85 | |
| **11** | **KARNATAKA BHOVI DEV. CORPORATION** | |  | |  |  | |  |  |  |  | |
| **A)** | ISB Scheme | |  | | 471 | 2080.50 | | 355 | 1322.52 | 75.37 | 63.57 | |
| **12** | **KARNATAKA MINORITY DEV. CORPN. (KMDC)** | |  | |  |  | |  |  |  |  | |
| **A)** | SEP Scheme | |  | | 1000 | 750 | | 357 | 464.61 | 35.70 | 61.95 | |
| **B)** | VruttiProthsaha Scheme | |  | | 336 | 336 | | 253 | 253.00 | 75.30 | 75.30 | |
| **C)** | Minorities Taxi Welfare Scheme | |  | | 150 | 450 | | 83 | 249.00 | 55.33 | 55.33 | |
|  |  | | Total | | 1486 | 1536 | | 693 | 966.61 | 46.64 | 62.93 | |
| **13** | **KARNATAKA VISWAKARMA COMMUNITY DEV. CORPORATION** | |  | |  |  | |  |  |  |  | |
| **A)** | SEP Programme | |  | | 256 | 64.00 | | 19 | 8.70 | 7.42 | 13.59 | |
| **14** | **PMAY-U (Housing for All 2022) – CLSS** | | | | MoHUA, GoI has launched Credit Linked Subsidy Scheme (EWS / LIG) on 17.06.2015. It has extended the scheme to MIG-1 & MIG-2 category on 01.01.2017.  HUDCO/NHB and SBI have been identified as Central Nodal Agencies (CNAs)  370 & 134 Primary Lending Institutions have signed MoU with National Housing Bank & HUDCO respectively under CLSS.  As on 31.03.2020, only 46812applicants has availed loan under PMAY(U)\_CLSS.  Bank wise and district wise progress reports received from RGRHCL is provided as Annexure- 51( pageno. 253 to 254). | | | | | | |

**Details of department-wiseprogress reports are provided in following annexures:**

Annexure- 36- Animal Husbandry and Veterinary Service (Page no.209 to 210)

Annexure-37-Dr.BabuJagjivanRam Leather Industries Dev. Corporation Ltd (Page no.211 to 215).

Annexure-38-NRLM Bank wise Achievement(page no. 216 to 218).

Annexure-39- KARNATAKA MAHARSHI VALMIKI ST. DEV. CORPN. Ltd (Page no.219 to 227)

Annexure- 40-Target and Achievement under PMEGP (Page no. 228 to 230)

Annexure- 41 to 43- Dr.BR AmbedkarDevelp. Corporation Ltd, KarnatkaAdijambavaDevt. Corporation and Karnataka ThandaDevelopment Corporation(Page no 231 to 234).

Annexure- 44- D. DevrajUrs BC DevCorpn (Page no 235 to 236).

Annexure- 45-Performance under CMEGP (Page no. 237).

Annexure -46-Progress under Day NULM (Page no. 238 to 240).

Annexure -47- Progress under KARNATAKA STATE WOMEN DEVP. CORP. (Page no. 241 to 244).

Annexure- 48- Karnataka Bhovi Development Devp. Nigam (Page no.245 to 246).

Annexure- 49- Karnataka Minority Development Corporation (Page no 247.to 250).

Annexure-50-Karnataka Viswakarma Community Dev. Corporation(Pageno. 251 to 252).

**13.2 CREDIT FLOW TO MINORITY COMMUNITIES**

**Amounts Rs. In Crore**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **O/s as at 31.03.2019** | | | **O/s as at 31.03.2020** | | | **Variation over March 2019** | |
| **No. of A/cs** | **Amount** | **%age to total PSA** | **No. of A/cs** | **Amount** | **%age to total PSA** | **No. of**  **A/cs** | **Amount** |
| 1928988 | 40606 | 13.82 | 2476511 | 57727 | 20.19 | 547523 | 17121 |

* There is a growth of Rs.17121 Crore in advances to minority communities as at March 2020 over March 2019.
* The share of advances to minority communities in total PSA has increased from 13.82% as at March 2019 to 20.19% as at March 2020.

The Bank wise and religion wise advances to Minority Communities as on March2020 is provided as Annexure –53 (Pageno. 256 to 259).

Bank wise disbursement and balance outstanding to Minority Communities as on March 2020 in Annexure 52 (Page no.255).

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

The outstanding level of credit to minority communities in the identified Districts as at March - 2020 is as follows:

**Amount in Lakhs**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of the District** | **Bidar** | **Kalburgi** | **Dakshina Kannada** |
| **March 2020** | **March 2020** | **March 2020** |
| O/s advances under Priority Sector Credit | 443296 | 951600 | 1590945 |
| Lending to Minority Community | 101209 | 251500 | 495948 |
| % of Minority Community Lending to PSA | 22.83 | 26.43 | 31.17 |
| Mandatory level of advances to Minority Communities out of total PSA | **15%** | | |

From the above table, it may be observed that:

* The flow of credit to minority communities in all the three minority community concentrated districts has surpassed the mandatory level of 15% of total Priority Sector Advances of respective Districts.
* While SBI is the Lead Bank in Bidar and Kalburgi districts, SyndicateBank is the Lead Bank in Dakshina Kannada District.

**13.4: Grant of Education Loans:**

During the sanctioning review period of the March quarter 2020 of the 2019-20, various banks in the state of Karnataka have disbursed Education loans to the tune of Rs.1,863.33 Crore covering 87,502 students as against the annual financial target of Rs.6,558 Crore under both priority and non-priority segments.

The performance of banks in lending under Education loans as the percentage of achievement v/s target works out to 28.41%.

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

**13.5.A:SELF HELP GROUPS:**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Agency** | **As at March 2020** | | | | | |
| **Credit Linkage during March quarter of**  **FY 2019-20** | | **Cumulative No. of SHGs credit linked since inception** | | **Average finance per group**  **(Rs. in lakh)** | |
| **No. of SHGs** | **Amount (Rs. in Crore)** | **No. of SHGs** | **Amount (Rs. in Crore)** | **During the FY 2019-20** | **Since inception** |
| Commercial Banks | 270436 | 3394.45 | 1888512 | 24585.15 | 1.26 | 1.30 |
| RRBs | 82244 | 1593.41 | 567356 | 7288.43 | 1.94 | 1.28 |
| Cooperatives | 19084 | 558.52 | 518213 | 7161.23 | 2.93 | 1.38 |
| **Total** | **371764** | **5546.38** | **2974081** | **39034.82** | 1.49 | 1.31 |

Bank wise progress under SHGs is provided in Annexure 54 (page no. 260).

Cumulative progress in SHG linkage during the quarter ending March2020 is provided in Annexure 55 (page no. 261).

**13.5 B: JOINT LIABILITY GROUPS:**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Agency** | **As atMarch2020** | | | | | |
| **Disbursement during**  **FY 2019-20** | | **Balance O/s as onMarch 2020** | | **Average finance per group**  **(Amount in lakh)** | |
| **No. of JLGs** | **Amount (Rs. in Crore)** | **No. of JLGs** | **Amount (Rs. in Crore)** | **During the FY 2019-20** | **Since inception** |
| Commercial Banks | 129233 | 2257.42 | 320467 | 2827.59 | 1.75 | 0.88 |
| RRBs | 10396 | 178.82 | 40869 | 367.64 | 1.72 | 0.90 |
| Cooperatives | 398 | 6.61 | 2071 | 17.66 | 1.66 | 0.85 |
| Small Finance Banks | 98354 | 1305.51 | 123973 | 1315.34 | 1.33 | 1.06 |
| **Total** | **238381** | **3748.36** | **487380** | **4528.23** | 1.57 | 0.93 |

Bank wise progress under JLG-Bank linkage program as at March 2020 is given in Annexure 56 (page no. 262).

**13.6: Progress in Stand Up India scheme as on 31.03.2020**

Amount in crores

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Scheme** | **Disbursement as on Mar 2019** | | **Disbursment as on Mar 2020** | | **Variation** | |
| **No Of A/Cs** | **Sanction Amt** | **No Of A/Cs** | **Sanction Amt** | **No Of A/Cs** | **Sanction Amt** |
| **SC** | 117 | 24.97 | 199 | 47.92 | 82 | 22.95 |
| **ST** | 21 | 4.94 | 60 | 14.78 | 39 | 9.84 |
| **Women** | 663 | 145.19 | 998 | 267.69 | 335 | 122.5 |
| **Total** | 801 | 175.11 | 1257 | 330.39 | 456 | 155.28 |

The above table indicates that the number of entrepreneurs financed and also the amount financed under stand up India scheme shown good improvement during Mar 2020 over Mar 2019 in over all achievement.

District-wise and Bank-wise details of disbursement under SUI as on March 2020 is provided in the annexure 57 (page no. 263).

**AGENDA 14.0:CD RATIO, REVIEW OF DISTRICTS WITH CD RATIO BELOW 60% AND WORKING OF SPECIAL SUB-COMMITTEES OF DCC (SCC)**

The CD Ratio of the state as a whole as on 31.03.2020 is 74.77%.

**14.1: The districts showing the CD Ratio of less than 60% as onMarch 2020:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl** | **Name of the district** | **As on March 2020** | | **CD Ratio %** |
| **Deposits (in crores)** | **Advances (in crores)** |
| 01 | Uttar Kannada | 16347 | 6627 | 40.54 |
| 02 | Udupi | 25034 | 12151 | 48.54 |
| 03 | Dakshina Kannada | 48661 | 27995 | 57.53 |

Bank wise CD Ratio, Deposits and Advances as on March 2020 is provided in Annexure 58( Page no . 264 ), Annexure 58 A ( Page no . 264 ), Annexure 58 B ( Page no . 264 ) respectively.

District wise CD ratio as on March 2020 is provided in Annexure 59 (Page no . 267).

AGENDA: 15.0: POSITION OF NPAs IN RESPECT OF SCHEMATIC LENDING,

**CERTIFICATE CASES AND RECOVERY OF NPAs**

**15.1: NON-PERFORMING ASSETS POSITION:**

**Amount in Crore**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sl.** | **Sector** | **No.** | **Amt** |
| 01 | AGRICULTURE | 12,75,440 | 19,817.31 |
| 02 | MICRO SMALL & MEDIUM INDUSTRIES | 3,55,294 | 9,978.68 |
| 03 | HOUSING | 32,300 | 2,387.60 |
| 04 | EDUCATION | 28,070 | 613.64 |
| 05 | OTHER PRIORITY SECTOR ADV | 4,66,879 | 9,566.28 |
| 06 | NON PRIORITY SECTOR ADV | 7,90,246 | 18,178.89 |
| 07 | TOTAL NPAs | 29,48,229 | 60,542.40 |

Bank wise and segment wise NPA position is provided in Annexure60(Page no. 268)

Bank wise data on NPAs in Housing and Education loans provided in Annexure 61 (Page no. 269).

**15.2: RECOVERY OF BANK DUES UNDER PMEGP:**

The summary of scheme-wise NPA position as at March 2020 is furnished here under:

**(Amount in Crore)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Agency** | **Balance O/S** | **NPA Level** | **% of NPA** |
| **KVIC** | 294.74 | 66.05 | 22 |
| **KVIB** | 110.15 | 21.09 | 19 |
| **DIC** | 225.80 | 27.67 | 12 |
| **Total** | 630.69 | 114.81 | 18 |

Bank-wise NPA level under the above schemes is furnished in **Annexure 62**(Page no. 270).

**15.3:RECOVERY OF BANK DUES UNDER KPMR & KACOMP Acts:**

(Amount in lakh)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FY 2019-20**  **(for the quarter ending March 2020)** | **RCs pending as on previous quarter** | | **RCs filed during the quarter** | | **RCs disposed during the quarter** | | **RCs pending as at the end of the quarter** | | **RCs pending for more than 1 year.** |
| **A/cs** | **Amt** | **A/cs** | **Amt** | **A/cs** | **Amt** | **A/cs** | **Amt** | **A/cs** |
| March 2020 | 28570 | 31073 | 250 | 1226 | 867 | 1517 | 27953 | 30851 | 24022 |

SLBC requests 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 requests LDMs to coordinate the joint recovery drives in a big way.

The bank wise data on this Agendais provided in Annexure 63(Page no. 271).

**15.4 RECOVERY OF BANK DUES UNDER SARFAESI, DRT & LOK ADALATS Acts:**

(Amountin. Lakh)

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **Cumulative from 01.04.2019 to 31.03.2020** | | |
| **No. of Notices sent** | **Amount involved** | **Amount Recovered** |
| SARFAESI | 20041 | 435711 | 74543 |
| DRT | 9362 | 648115 | 71393 |
| LOK Adalat | 1014319 | 2027390 | 12410 |
| Total | 1043722 | 3111216 | 158346 |

The Bank wise dataon this Agendais provided in Annexure 64(Pageno 272).

**AGENDA16.0: REVIEW OF RESTRUCTURING OF LOANS IN NATURAL CALAMITY**

**AFFECTED DISTRICTS IN THE STATE, IF ANY**

During the JunetoMarch2019, the banks have actively participated in restructuring of loans for flood affected farmers of 22 districts. SLBC has organised a special SLBC for flood affected farmers on 30th August 2019 and many important decisions were taken for flood affected farmers for restructuring. In addition to Agriculture other loans were also recommended for restructuring.

Bank wise and District wise details of the accounts restructured during the period from 01.01.2020to 31.03.2020 (Q4) are provided in Annexure 65 (Page no. 273) and annexure 65A (page no. 274), respectively.

**AGENDA17.0: DISCUSSION ON POLICY INITIATIVES OF THE CENTRAL/STATE**

**GOVERNMENT/ RBI (INDUSTRIAL POLICY, MSME POLICY, AGRICULTURE POLICY, START-UP POLICY ETC.), AND EXPECTED INVOLVEMENT OF BANKS**

**17.1. Circular on Scale of Finance (SOF)-Fixing by District Level Technical Committee (DLTC) and State Level Technical Committee (SLTC)**

**17.1 a: District Level Technical Committee (DLTC) - Reconstitution**

District Level Technical Committee (DLTC) to be reconstituted by District Administration with District Central Cooperative Banks as its Convenor and shall work in alignment with Districts consultative committee. The District collector/District Magistrate may be appointed as Chairman of the committee in his absence head of the agriculture department of the district may chair the meeting.

**17.1.b: State Level Technical Committee (SLTC) -Reconstitution**

State Level Technical Committee (SLTC) may be reconstituted by agriculture production commissioner (Secretory agriculture, department of agriculture with state co-operative banks as its convenor and shall work in alignment with State Level Banker’s Committee (SLBC). The APC/Secretory agriculture of the State may be the chairman of the committee and in his absence the director of agriculture may chair the meeting.

A copy of the RBI letter2032/05.10.003/2019-20 dt 30.04.2020 addressed to SLBC, Convenors and NABARD letter No 37/01/2020-21, 109/34/2020 dt 15.04.2020 addressed to the Chief Secretary of All State governmentsis provided in annexure 66 (Page no 275 to 288).

**AGENDA18.0: DISCUSSION ON IMPROVING RURAL INFRASTRUCTURE / CREDIT**

**ABSORPTION CAPACITY**

a): Any large project conceived by the State Government to help improveCDRatio of Banks/RRBs.

(b): Explore the scope of state-specific potential growth areas and the way forward – choosing partner Banks.

(c): Discussion on findings of region-focused studies, if any, and implementing the suggested solutions

(d): Identification of gaps in rural and Agriculture infrastructure which need financing (rural godowns, solar power, agro processing, horticulture, allied activities, Agri-marketing etc.)

(e): Implementation of Model Land Leasing Act 2016 (exploring possibility)

**No data for discussions under this Agenda**

**AGENDA19.0: PARTNERING WITH KVK, HORTICULTURE MISSIONS, NATIONAL**

**SKILLDEVELOPMENT CORPORATION, ASCI, ETC. INCLUDING A REVIEWOF FUNCTIONING OF RSETIs**

**19.1: Functioning and performance of RUDSETI/RSETIs in Karnataka state:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl.No.** | **Particulars** | **As on March 31, 2018** | **As on March 31, 2019** | **As on 31stMarch 2020** |
| 1 | No. of Training Programmes Conducted | 8288 | 9302 | 10261 |
| 2. | No.ofPersons Trained | 245523 | 26041 | 296240 |
| 3. | No.of persons secured employment/self-employment | 168519 | 189129 | 209396 |
| 4. | No.oftrained persons credit linked | 111592 | 122046 | 126528 |

* 33 RUDSETI/ RSETIs are functional in the state of Karnataka.

**AGENDA20.0: STEPS TAKEN FOR IMPROVING LAND RECORD, PROGRESS**

**IN DIGITIZATION OF LAND RECORDS AND SEAMLESS LOAN DISBURSEMENTS**

SLBC requests all member Banksto visit <https://kaverionline.karnataka.gov.in> and be guided by the manual of instruction available in the site and effectively utilize the services of the “KOS” for filing Declarations under KACO&MP Act.1974 besides guiding the farmers to utilize the same. SLBC requests the LDMs to discuss this aspect in BLBC and DCC/DLRC meetings so thatBankBranchesshall create awareness among the people especially among the farmers to avail hassle free services through this online services facility.

**20.1 Delay in loan disbursement: Kaveri Online portal- Online Filing of mortgages - Form No. 3 of agricultural loans / crop loans under KACOMP Act.**

* Haveri is one of districts been selected for adoption of kaveri online portal on pilot basis, LDM Haveri has informed many branch manager in the districts are reported these following problems through his letter reference NO. LBO/NGP/HVR/239/2020-21 dated 06.06.2020 (Letter provided in Annexure 67, page no. 289).

1. Lack of training: lead bank has shared write ups and FAQs, still many bankers are unable to complete the process in the portal due to technical glitches.
2. Few KVGB branch managers reported that due to poor connectivity in their branches, they are unable to open website/complete document uploading process.
3. Delay in response to online booking appointment from concerned SRO office after document from login.
4. While uploading document in portal technical error pop up and automatically gets logged out and unable to complete the process causing pending of loan sanctions.

Hence, Haveri district bank branches are requesting GoK to permit them to switch over to the offline method of charge creation/mortgage creation as following earlier through SRO till completion of Kharif season. And they are requesting you to impart the training for bank branches and also to provide the help line number for bankers to get the clarification on problem faced by them on the portal.

**AGENDA21.0: ISSUES REMAINING UNRESOLVED AT DCC/DLRC MEETING**

SLBC, at quarterly intervals, calls for the details of unresolved items evolved during DCC/DLRC meetings, if any, from LDCMs for its review under this Agenda. However, this time, no LDCMs have submitted the information under this agenda.

**`**

**AGENDA22.0: SUB COMMITTEE MEETINGS HELD DURING THE REVIEW PERIOD:**

**The details of SLBC Sub-committee meetings conducted during the Review period**

**are as under:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl.** | **Name of the sub Committee** | **Convenor Bank** | **Date of meeting** | **Minutes (Annexure No.)** |
| 1 | MSME | Union Bank of India  (e-Corporation Bank) | 13.04.2020 | Anx. 68,page no. 290 to 294 |
| 2 | SHG-Linkage | Canara Bank  (e-Syndicate Bank) | 17.06.2020 | -- |
| 3 | Recovery & Rehabilitation and Govt. Sponsored Schemes | State Bank of India | 17.06.2020 | -- |
| 4 | Agri& Allied activities | Canara Bank | 17.06.2020 | - |
| 5 | Retail Loans | Bank of Baroda  (e Vijaya Bank) | 30.05.2020 | Anx. 69 ,page no.295 to 297 |
| 6 | Review of functioning of RSETI & RUDSETI | State Director for RESETIs, Karnataka | 17.06.2020 | -- |
| 7 | Deepening of Digital payments | Canara Bank  (e-Syndicate Bank) | 16.06.2020  Postponed | -- |

Sub-committee meetings to be convened by some lead bankers got delayed because of prevailing COVID 19.

**AGENDA 23.0: MISCELLANIOUS ISSUES:**

**AGENDA 23.1: COVID-19 Situation**

The prevailing Covid19 situation in the country is precarious and the general economic activities have become stand still due to lockdowns which was inevitable to save the human disaster from happening.

The exemptions now allowed in several districts in the state are aimed at improving and reviving the lost tempo of credit off-take and to give momentum for restarting the agriculture and allied activities, MSME and retail trade. Banks will play a crucial role to ensure this happens in a systematic and conducive manner.

SLBC has conducted meeting **149th Special SLBC meeting on 02.05.2020 to identify and address specific issues related to easy and sufficient availability of credit to**

1. **Agricultural and allied sector,**
2. **MSME and**
3. **Other sectors of the rural economy in prevailing COVID 19 situation.**

**We are furnishing the loans disbursed by major banks in emergency Covid 19 pandemic situation as here below.**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. **Loans Disburshed during Emergency COVID 19 Situation by major banks (From 23.03.2020 to 12.06.2020, amount in lakh)** | | | | | | | |
| **Agricultural Loans** | | | | **Total Agriculture** | | **SHG** | |
| **Crop Loan** | | **Term loan** | |
| **No.of A/cs** | **Amount** | **No.of A/cs** | **Amount** | **No.of A/cs** | **Amount** | **No.of A/cs** | **Amount** |
| 71083 | 75272.08 | 10641 | 8888.87 | **81724** | **84160.95** | 2461 | 4649.05 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Information on additional MSME Loans disbursed @ 10% of existing MSME loans during Emergency COVID 19 Situation in Karnataka (From 23.03.2020 to 25.05.2020)** | | | | | |
| **MSME** | | | | **Total MSME** | |
| **Working Capital** | | **Term Loan** | |
| No.of A/cs | Amount | No.of A/cs | Amount | No.of A/cs | Amount |
| 24413 | 70946.5 | 23401 | 58127.6 | **47814** | **129074.12** |

**Agenda 23.2: ECLGS for Existing MSME borrowers during COVID-19 situation:**

Govt. of India had announced additional funding of up to 3 lakh crore at a concessional rate of maximum 9.25% through Emergency Credit Line Guarantee Scheme (ECLGS) for the MSME sector hit hard by the Corona Virus crises. Under this scheme, 100% guarantee coverage will be provided by NCGTC for additional funding of up to 3 lakh crore to eligible MSME and interested MUDRA loan borrowers. This scheme is valid up to 31.10.2020.

Further, SLBC has instructed vide letter 1**42/SLBC/2944/HPR/2020/MSME/1 dated: 09-06-20209 (annexure 70, page 298)** to all member banks to conduct MSME outreach programme and also requested to all member to displaying the scheme guidelines in local language at branch level.

In our state Major Banks were sanctioned around 50406 accounts and amount of **Rs.1907.24 Cr under ECLGS scheme** as on 13.06.2020 detail major bank-wise information furnished in annexure 71 (page no. 299).

**23.3: Disposal of Educational loans under RGLS:**

The Department of Collegiate Education, Bengaluru and Bank of Baroda (e-Vijaya Bank) are requested to finalize MOU soon and thereafter targets can be communicated for financing of these RGLS loans.

**23.4: Digital District:Expanding and Deepening of Digital Payments EcosysteminRaichur District:**

The LDCM, Raichur and Nodal officer of SBI has to follow-up regularly with the banks and bank branches to achieve 100 % digitalization in Raichur District.

The bankers were advised to ensure that all their entrepreneur account holders are provided with infrastructure like POS machines, QR code, M PoS, etc. the progress of which would also be reviewed in all the subsequent monthly meetings.**Annexure II data for 31.03.2020 as in RBI format is attached in Annexure72 (page no. 300).**

**As SBI is the Lead Bank in Raichur district and the Nodal Officer appointed for Digital expansion in Raichur district is also from SBI, SLBC requests SBI to take up the responsibility of convening the sub-committee on Deepening of Digital payments for better monitoring and progress.**

**23.5: Allotment of enrollment targets under Atal Pension Yojana (APY) to Banks / Department of Posts for FY 2020-21:**

SLBC hasforwarded the **target per branch**forFY 2020-21whichisreceived from PFRDA with enclosed letter of DFS No 16/7/2015-PR(pt) dated 01.06.2020 (Provided in annexure 73, Page no. 301 to 302).

We request all t**he State Controlling Head/Coordinators of banks to** advise their bank branches to achieve the set targets (Target per branch).

**Target under APY for FY 2020-21 under each category:**

|  |  |
| --- | --- |
| **Category** | **Target per branch FY 2020-21** |
| Major Banks (ALL PSBs and 4 Private banks i.e. **ICICI Bank, AXIS Bank, HDFC Bank, IDBI Bank**) | 60 |
| Regional Rural Banks | 60 |
| Private Banks (Other) | 30 |
| Co-Operative Banks | 20 |
| Department Post | 30 |
| All Small Finance Banks | 50 |
| All Payment Banks | 50,000 (Absolute) |

**23.6: Implementation of Kannada by banks:**

We would like to draw your attention to a letter received from GoK with reference FD 04 CAM 2020 dated 28.05.2020 seeking developments on following items (Annexure 74, page 303 to 306).

1. Implementation trilingual rule by the PSU banks, Apex Bank, Cooperative banks and Private banks
2. Availability of printed challans, cheques, receipts, passbooks, housing loan application, vehicle loan application, education loan application; address change application, Nomination application, single account transfer application, account opening form, fixed deposit certificate, Demand draft and all other applications as per trilingual rules.
3. Implementation of kannada language in banks website
4. Relieving of employees who have not learnt kannada as per 2014 recruitment guidelines and replacing these employees with Kannada knowing employees.

**23.7: Discussion on modification in Working Capital Assessment for Khadi Institutions of KVIC/KVIB under ISEC By the Financing Bank Branches in Karnataka State.**

KVIC, Bengaluru requested the bankers to honour the ISEC issued by the KVIC/KVIB and extended the working capital assistance requirement under ISEC scheme of KVIC ( Annexure 75, page no. 307 to 314)

**23.8: Co-option of FKCCI as SLBC member:**

Federation of Karnataka chambers of Commerce & industry has requested for membership of SLBC.The SLBC forum may accept these request for membership (Annexure 76, page 315 to 316).

**Brief Profile of FKCCI:**

|  |  |  |
| --- | --- | --- |
| 1 | Name and address  with phone and email | Federation of Karnataka Chambers of Commerce & Industry (FKCCI)  Federation House, K G Road, Bengaluru- 560009  Karnataka, India  Ph: +91-80-22262355/56, 40828300, 22262157  Email: [president@fkcci.in](mailto:president@fkcci.in) / [sg@fkcci.in](mailto:sg@fkcci.in) |
| 2 | Date and place of incorporation with registration no.: | Date: 30-04-1974  Place: Bengaluru  Reg. No: PRO.718/10A/VOL-A-II/M-59 |
| 3 | Head of the Association: | Mr. C R Janardhana – President |
| 4 | Executive members | 88 Numbers |
| 5 | Founder Member | Bharat Ratna Sri. M [Visvesvarayya](https://www.google.com/search?sxsrf=ALeKk00UrtSSeiZA0eN4V1oaDmv0X1rCvw:1590666304954&q=Sir.+M+Visvesvaraya&spell=1&sa=X&ved=2ahUKEwiQlsDgvdbpAhX7yzgGHSLMClIQkeECKAB6BAgcECc) |
| 6 | Total No. of Members | 3200 |
| 7 | Classification of Members | Manufacturing Sector  Trading Sector  Service Sector  Professional Sector  District Chambers  Association |
| 8 | Sectors looked after: | Industry, Trade & Service |
| 9 | Geographical spread | Karnataka State |
| 10 | About the Association | FKCCI is an apex organization for Industry, Trade and Services Sectors in Karnataka. FKCCI was established by Bharat Ratna Sir M Visvesvaraya. It has completed its first century of existence and is in the 104th year of its service. Since its inception, the Federation has sought to promote the interest of Trade, Industry & Services and has played a catalytic role in policy making at the State and Central level and is now poised to play a greater role at the global level.  FKCCI has a membership of over 3200 direct members comprising of Large, Medium & Small Scale Manufacturing, Trading, Services, and Professionals, spread over Karnataka. It also includes 30 District Chambers of Commerce and 200 Trade Industry Associations.  The Federation is a member of national bodies like FICCI, ASSOCHAM and also the International Chamber of Commerce. Being a member of global trade associations, FKCCI facilitates the collaboration of trade between Karnataka’s industries and overseas enterprises. In the year 2018,  Asia Pacific Chamber of Commerce has accorded the APAC Large Chamber Award 2018 to FKCCI. |

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

**The performance of KFRC will be reviewed in KFRC meeting of trustees.**

**\*\*\***