

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

**AGENDA NOTES FOR 165<sup>th</sup> SLBC MEETING &  
BANKING STATISTICS AS ON 31.03.2024**

As per the revised RBI guidelines on Lead Bank Scheme, SLBC Karnataka convened 165<sup>th</sup> Steering Committee Meeting on 03.05.2024 at 3<sup>rd</sup> Floor, Conference Hall, Canara Bank, HO Annexe, Gandhi Nagar, Bengaluru under the Chairmanship of Sri. K J Srikanth, Convenor SLBC Karnataka and Chief General Manager, Canara Bank. The suggestions/modifications offered by the members have been duly incorporated.

**AGENDA 1.1: Confirmation of the minutes of 164<sup>th</sup> SLBC meeting held on 27.02.2024.**

The minutes of 164<sup>th</sup> SLBC meeting held on 27.02.2024 were circulated among all the member banks and Govt. Departments. As no suggestions received, the house may kindly confirm the minutes.

**AGENDA 1.2: 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.	Despite repeated reminders <b>Bandhan Bank, Axis Bank, Yes Bank, Kotak Mahindra Bank, DBS Bank and Fino Payment Bank</b> have delayed in uploading the data.
02	Restructuring of Loans in Natural Calamity Constitution of Sub Committee	A Special SLBC was conducted on 07.10.2023 under the chairmanship of Additional Chief Secretary and Development Commissioner GoK and it was instructed that all drought affected eligible farmers has to benefitted .Banks have restructured 77.15% of eligible loan accounts
03	Delay/Non submission of data by banks/LDMs	<b>Bank of Baroda, AXIS Bank, DBS Bank, Fincare small finance bank ,CSB ,DCB banks and Bidar LDM</b> have not submitted various data sought by regulators.
04	Issues - Reimbursement of pending BPL claims of training expenditures	As per instruction of chairperson SLBC communicated skill development Department for clearing pending claims of <b>Rs 25.49 Crores</b> on 28.02.2024.
05	Issues arising while registering the equitable mortgage on multiple properties for a single loan.	SLBC has communicated the issue to Revenue Department. We are yet to receive response for the same.

**Agenda 1.3: Delay / Non Submission of data by the member banks for submission to regulators: -**

SLBC is submitting the various data to the regulators (RBI, NABARD, DFS, State Govt.) on quarterly basis and as and when asked by the regulators. But there is always delay by the member banks and LDMs for submitting the data.

SLBC request all the member banks and LDMs to **submit the data sought by regulators on priority basis.**

Data requested	Defaulter banks
Pragathi data	Bank of Baroda – Undue delayed submission
Digital deepening data	DCB , DBS, Fino Payment Bank

**AGENDA 2.1: Progress under Social Security Schemes:****(No. of enrolments in lakh)**

Scheme	Outstanding as on			% growth Q-O-Q
	31 <sup>st</sup> March 2023	31 <sup>st</sup> Dec 2023	31 <sup>st</sup> March 2024	
PMSBY	197	170	174	3
PMJJBY	88	70	73	4
APY	28	33	35	6

- Secretary, Finance Department, GoK is conducting monthly review meeting to review the progress under Suraksha schemes and advised all Banks to achieve the targets within June 2024.
- SLBC requests all member Banks to achieve the targets within the timelines.
- Bank wise eligible operative savings accounts, accounts covered under PMJJBY & PMSBY schemes data as on February 2024 as received from member Banks in enclosed in Annexure -1, page no -1 .
- Bank wise progress under all the above social security schemes as on 31<sup>st</sup> March 2024 is provided in Annexure -2, page no-2 .

**AGENDA 2.2: Review of Restructuring of Loans in Natural Calamity Affected Districts in the State:**

GoK Vide letter reference GO No RD 449 TNR 2023 dated 13.09.2023, In Karnataka state 216 (195+21) talukas declared as drought affected.

A Special SLBC was conducted on 07.10.2023 under the chairmanship of Additional Chief Secretary and Development Commissioner GoK and it was instructed that all drought affected eligible farmers has to benefitted.

Name of Bank	Accounts Eligible for Restructuring (A)	Restructuring Completed	Out of (A) Eligible Accounts Renewed	Consent obtained for not willing to re-structure	Fresh finance (Out of A)
CN Bank	145787	140	75127	42498	0
SBI	38577	215	4780	29720	10
UBI	19382	3729	12342	2100	8
BoB	24433	3531	6719	908	6719
KVG	277434	13724	89990	168506	0
KVGB	118129	65	77480	0	0
HDFC	11172	24	5518		

Banks have restructured **77.15%** of eligible loan accounts.

Bank wise restructure and refinance data as on 31-03-2024 is enclosed as Annexure-3, page no-3 .

**AGENDA 3: PMSVANidhi scheme:**

Lending under the PMSVANidhi scheme is extended till December, 2024. Credit Guarantee and Interest Subsidy claims on all loans will be paid till March 2028.

Various review meetings were conducted by NULM Dept, GoK with LDMS and Member banks and state line departments in coordination with SLBC.

**Progress under PMSVANidhi scheme in Karnataka state as on 31.03.2024:**

Term	Target	Total Loan Applied eligible applns	Sanc-tioned	Dis-bursed	Pen-dency for Dis-burse-ment	Re-tur-ned by Bank	% Sanc-tioned against Target	% dis-burse-ment against Target
<b>1st Term</b>	406912	434704	376427	366491	9936	27132	93	90
<b>2nd Term</b>	110200	121829	103476	99835	3641	9892	94	91
<b>3rd Term</b>	19900	26882	21339	20747	592	2383	107	104
<b>Total</b>	<b>537012</b>	<b>583415</b>	<b>501242</b>	<b>487073</b>	<b>14169</b>	<b>39407</b>	<b>93</b>	<b>91</b>

**Major Pendency under disbursement is with following Banks:**

Karnataka Bank (2964), Canara Bank (2738), State Bank of India (2246) and UBI (1145)

**Karnataka rise to 4<sup>th</sup> place from 8<sup>th</sup> place and strive hard to regain No. 1 position.**

In the recent review, the Secretary & Mission Director, Skill Department, GoK has advised to keep sanctions ready till MCC is over and afterwards all pending applications to be disbursed in the month of June 2024.

Bank wise & District wise sanction/disbursements/pendency/rejection of applications under the scheme and guidelines are furnished in Annexure-4, page no 4 -7.

**AGENDA 4: Review of Credit Disbursement by Banks:**

**4.1. Achievement under ACP and Priority Sector Lending:**

The following table shows a comparative analysis of disbursement up to the quarter ending March 2023 of FY 2022-23 vis-à-vis disbursements up to the quarter ending March 2024 of FY 2023-2024:

(Amount in crores)

Sector	Annual Target	Mar-23		Annual Target	Mar-24	
	2022-23	Ach	% Ach.	2023-24	Ach	% Ach.
Short Term Loan	81896	79157	97	97995	111064	113
Agri Term Loan	58977	80595	137	79475	72801	92
<b>Total Agri Loans</b>	<b>140873</b>	<b>159752</b>	<b>113</b>	<b>177469</b>	<b>183865</b>	104
MSME	129604	117835	91	132129	152882	116
Export Credit	3967	791	20	3948	544.28	14
Education	6316	1148	18	4533	1330.02	29
Housing	32794	5403	16	25572	6670.39	26
Social Infrastructure	2549	1119	44	3659	124.09	3
Renewable Energy	3565	35	1	2869	171.68	6
Other PSA	10555	9687	92	15960	10316	65
<b>Total PSA</b>	<b>330223</b>	<b>295769</b>	<b>90</b>	<b>366147</b>	<b>355903</b>	97

<b>Total Non-Priority</b>	<b>259483</b>	<b>470614</b>	<b>181</b>	477663	606645	127
<b>Total Credit</b>	<b>589706</b>	<b>766383</b>	<b>130</b>	<b>843810</b>	<b>962548</b>	114

Bank wise & sector wise level of disbursement/achievement in PSA and NPSA under Annual Action Plan during March quarter 2024 is provided in Annexure-5 page no 8-11.

Bank wise level of outstanding for PSA and NPSA as on 31.03.2024 Annexure-6, page no12-14.

#### 4.2 Major Bank wise performance/Achievement of ACP as on March 2024:

(Amount in crores)

MAJOR BANK WISE -PRIORITY SECTOR TARGET-ACHIVEMENT & CD RATIO AS ON 31.03.2024								
Name of Bank	Priority Sector ACP Target vs Achievement			CD RATIO	Mandatory targets & sub-targets			
	Target	Ach	%		O/s As on 30.09.2023		O/s As on 31.03.2024	
					% Agri to Tot Advances	% Priority to Tot Advances	% Agri to Tot Advances	% Priority to Tot Advances
<b>CANARA BANK</b>	53407	52244	<b>98</b>	<b>67</b>	31	56	31	54
<b>STATE BANK OF INDIA</b>	47118	38387	<b>81</b>	<b>68</b>	13	31	13	30
<b>UNION BANK OF INDIA</b>	28180	19946	<b>71</b>	<b>56</b>	22	47	23	49
<b>BANK OF BARODA</b>	25076	22212	<b>89</b>	<b>98</b>	23	42	21	40
<b>BANK OF INDIA</b>	6236	5364	<b>86</b>	<b>162</b>	15	29	15	28
<b>BANK OF MAHARASHTRA</b>	2140	2008	<b>94</b>	<b>278</b>	22	47	18	35
<b>CENTRAL BANK OF INDIA</b>	1877	1251	<b>67</b>	<b>86</b>	12	35	11	33
<b>INDIAN BANK</b>	7222	4594	<b>64</b>	<b>75</b>	19	49	10	25
<b>INDIAN OVERSEAS BANK</b>	3251	1825	<b>56</b>	<b>58</b>	26	61	27	58
<b>PUNJAB NATIONAL BANK</b>	1873	1581	<b>84</b>	<b>140</b>	6	19	6	19
<b>PUNJAB AND SIND BANK</b>	301	114	<b>38</b>	<b>252</b>	2	20	1	12
<b>UCO BANK</b>	2673	895	<b>33</b>	<b>88</b>	6	71	6	67

**MAJOR PRIVATE BANKS**

Name of Bank	Priority Sector ACP Target vs Achievement			CD R A T I O	Mandatory targets & sub-targets			
	Target	Ach	%		O/s As on 30.09.2023		O/s As on 31.03.2024	
					% Agri to Tot Advances	% Priority to Tot Advances	% Agri to Tot Advances	% Priority to Tot Advances
KARNATAKA BANK	7265	14502	200	49	15	54	21	54
HDFC BANK	24870	26579	107	94	6	33	7	32
AXIS BANK	9200	21960	239	76	10	45	9	36
ICICI BANK	15850	17477	110	70	6	23	6	24
KOTAK MAHINDRA BANK	14591	19806	136	69	17	49	16	48

**RRBs**

Name of Bank	Priority Sector ACP Target vs Achievement			CD R A T I O	Mandatory targets & sub-targets			
	Target	Ach	%		O/s As on 30.09.2023		O/s As on 31.03.2024	
					% Agri to Tot Advances	% Priority to Tot Advances	% Agri to Tot Advances	% Priority to Tot Advances
KARNATAKA GRAMEENA BANK	17932	15578	87	85	87	99	86	98
KARNATAKA VIKAS GRAMEENA BANK	10074	10075	100	81	79	98	80	99

**Co-Op Sector**

K.S.COOP APEX BANK LTD	32289	27914	86	101	50	66	50	64
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SLBC request all the member banks for special initiative to achieve priority sector targets .

**AGENDA 5. District wise ACP performance- (Top 5 Districts and bottom 5 five Districts)**

(Amount in crores)

SR. No.	Name of the Bank	Priority Sector			Total Credit		
		Target	Achievement	% Achv.	Target	Achievement	% Achv.
<b>Top 5 Districts under ACP performance</b>							
1	HAVERI	3907	6535	167	4275	8378	196
2	DHARWAD	6875	11267	164	14581	19561	134
3	RAMANAGARA	8083	11747	145	9279	13931	150
4	DAKSHINA KANNADA	16424	23463	143	43300	47210	109
5	CHIKKAMAGALURU	5086	6350	125	7143	8269	116

Bottom 5 Districts under ACP performance							
1	BIDAR	5920	3385	57	9788	5279	54
2	UDUPI	10645	6988	66	13878	11047	80
3	KALABURAGI	8478	5933	70	10684	9185	86
4	KOPPAL	5897	4137	70	7380	5350	72
5	HASSAN	13639	9808	72	15838	12547	79

#### AGENDA 6: PMAY-U:

##### Rajiv Gandhi Housing Corporation Limited:

Additional Chief Secretary and Development Commissioner, GoK, and Naveen Raj Singh, IAS, Principal Secretary to Government Housing Department has informed SLBC vide their letter to direct all banks to sanction housing loan for the beneficiaries identified under AHP-PMAY projects.

As per the directions from the Additional Chief Secretary and Development Commissioner, GoK, Member Banks have organized loan mela from March 4th to March 6th, 2024 in collaboration with the housing Department and Lead District Managers with the aim of clearing all pending loan applications. However, a significant challenge arose due to lack of proper data regarding the eligible beneficiaries.

We requested the department to share the correct data multiple times vide letter, email and calls to follow up with the Member Banks and to process pending applications through Loan mela. Department vide their email dated 05.03.2024 confirmed that only 3390 houses are ready/nearing completion and only those to be prioritized and as such bankers will be able to finance only those 3390 houses and again upon request from SLBC to share beneficiary wise data, department has shared vide their mail dated 15th march 2024 details of 2413 eligible beneficiaries only.

##### Implementing Agency Wise data under Pradhan Mantri Awas Yojana (URBAN)-AHP scheme as on 31.03.2024

Implementing Agency (IA)	RGHCL 1 Lakh, KSDB & ULB
Total No of applications as per IA	27405
Applications pertaining to other Co-operative banks other than DCC Banks /NBFCs and not under SLBC Purview	9433
Total no of application under SLBC purview as per IA	17972
Out of Total no of application Projects still under process as per IA	14877
Out of total no of applications , forwarded to Member Banks and eligible for availing loan under SLBC Purview (Completed projects with actual allotment letter)	2413
Out of forwarded applications loan already processed/sanctioned/Disbursed	539

Out of Forwarded applications without IFSC code and account number	100
Final Pending applications with Member Banks	1774

All Banks to process applications and sanctions housing loans special attention to AHP projects and update the same in the excel sheet shared.

SLBC request Department to update the latest position and share the appropriate data to follow up with the Member Banks

**AGENDA 7: Review of Districts having CD ratio less than 60% and working of Special sub-committees of DCC (SCC):**

**Districts with CD Ratio of less than 60% as on March quarter 2024:**

**(Amount in crores)**

SI No.	Name of the district	As on Dec 2023			As on Mar 2024		
		Deposits	Advances	CD Ratio %	Deposits	Advances	CD Ratio %
1	UTTARA KANNADA	21750	9724	45	22487	10139	45
2	UDUPI	37863	18328	48	39108	18358	47

- The CD Ratio of the state as a whole as on 31.03.2024 is **78.19%**.
- Udupi and Uttara Kannada LDM's informed that they had already formed the committee and they will conduct the Sub Committee meeting at earliest.
- Bank wise and district wise CD ratio as on Mar 2024 is provided in Annexure-7 page no 15-16.

After formation of subcommittee on CD Ratio in both district they have shown slight improvement and it is suggested by both the LDMs that there should be proper infrastructure facility should provide. Both the LDMs have provided study analysis for low CD ratio in their respective districts. The main reasons for the low Cd ratio is as below-

1. Limited scope of industrial Activities-CRZ Restrictions and Forest Area Restrictions hindering the Industrial Growth in the District
2. e-Swattu (Form No. 9/11) issue in the village area as there is no proper road connectivity to the residential properties, affecting the Housing Loan/Mortgage Loans.
3. Inflow of NRI Deposits: At least one member from each family is working in Gulf Countries, thereby there is good inflow of NRI Deposits in to the banking sector.

**AGENDA 8: Issues - Reimbursement of pending BPL claims of training expenditures:**

As on 31.01.2024, about **Rs. 39.82 crores** are pending to be released by SRLM to various RSETIs in Karnataka and the pendency is continuing for many years. SLBC once again request SRLM to clear the long pending dues to banks. RSETI wise details are provided in Annexure - 8, page no -17.

Bank Name	Pending Amt.( Amount in Crores)
Canara Bank	12.70
Union Bank	3.00
Kotak Mahindra Bank	0.87
RUDSETI	13.00

State Bank of India	6.81
DCCB Bidar	1.82
Bank of Baroda	1.51
<b>TOTAL</b>	<b>39.82</b>

Vide mail dated State Director of RSETI (SDR), Karnataka State has informed that MoRD sanctioned only 33% of claimed amount. Also they have not considered the long pending claims years 2012 to 2015.

SLBC request Mission Director, NRLM Department to release the fund.

**AGENDA 9: Review of financial inclusion initiatives, expansion of Banking network and Financial Literacy:**

As per Jan Dhan Darshak app and FI Plan portal, as on date, there is no unbanked villages without any Branch, BC, or IPPB within a radius of 5 KM as on March 2024.

**Unbanked Villages of Previous Quarter data:**

District Name	Taluk Name	Village Code	Village Name	Pop-ulation	allocated bank	Remarks
Uttara Kannada	Yellapur	602901	<b>Kanur</b>	95	India Postal Payment Bank	IPPB has informed that one BC is providing services to Kanur village and same has been updated in JDD portal.

Restricted

**AGENDA 10: Financial inclusion Initiatives:**

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

As on March 2024	Total No. of BC locations	No. of active BCs available	No. of inactive BCs locations	BCs certified by IIBF
	112665	95777	16888	14717

\*As on 31.03.2024, there are 5361 BCs are increased over Dec 2023. This is mainly due to Yes Bank – 4926 and IPPB- 1073 and there is a huge decrease in Kotak Mahindra Bank.

In earlier quarters Fino Payment Bank has reported all BCs are fixed BCs but now for March quarter 2024 they have reported all BCs are other than fixed BCs.

The No. of inactive BCs are 16,888. (out of which Fixed Inactive BCs are 1714 and other than Fixed inactive BCs are 15174). The Highest number of inactive BCs are from Fino Payment bank i.e. 12,393.

**Details of inactive BCs:**

SI No	NAME OF THE BANK	Total BCs	Inactive BCs	% inactivity
1	Fino Payment Bank	19969	12393	62
2	YES Bank	40835	2256	6
3	Canara Bank	2183	932	43



4	Axis BANK	2081	472	23
5	Bank of Baroda	2074	356	17
6	State Bank of India	2815	269	10
7	HDFC Bank	403	62	15
8	UCO Bank	56	36	64
9	Indian Bank	112	35	31
10	IDFC First Bank	368	29	8
11	Union Bank of India	607	20	3
12	Bank of India	209	15	7
13	Punjab National Bank	40	12	30
14	Karnataka Bank	99	1	1

Bank wise details of BCs as on 31.03.2024 is furnished as an Annexure -9, page No 18-19.

#### 10.2: Review of Financial Literacy Camps (FLCs):

The status of FLCs as on 31.03.2024 as reported by sponsor Banks is as under:

	Financial Literacy Centers (FLCs)				Total FLCs
	As on 31.12.2023		As on 31.03.2024		
	Functional	Non Functional	Functional	Non Functional	
<b>Total</b>	152	25	149	28	177

Non-functional FLCs are majorly from:

Sponsored Bank	No. of Non-functional FLCs
State Bank of India	17
Union Bank of India	9
Canara Bank	1
Bank of India	1

There is an increase of 3 number of non-functional FLCs over Dec 2023 from State Bank of India. Bank of India is having only 1 FLC in Belgaum District and same was inactive since from 2 years. SLBC requests member banks to ensure that all FLCs are functional immediately.

#### Activities of FLCs:

Type of Camps conducted	No. of camps conducted			No. of people benefitted		
	Dec 2023	Mar 2024	FY 23-24	Dec 2023	Mar 2024	FY 23-24
Special Camps	2277	2217	9123	201626	193725	717016
Target specific camps (Farmers, SHG members, School children, Sr. citizen, labourers oriented programmes)	5851	5902	21492	506776	518623	1622136

Out of target specific camps, camps conducted for school children.	639	1153	3004	80584	124394	332587
<b>Total No of Camps ( Special camps and Target specific camps)</b>	<b>8128</b>	<b>8119</b>	<b>30615</b>	<b>708402</b>	<b>712348</b>	<b>2339152</b>

### 10.3. Centre Financial Literacy (CFLs):

RBI Advised SLBC to place a separate agenda on the financial inclusion end outcomes of CFL activities is to be discussed.

In Karnataka state there are 38 CFLs exist sponsored by 3 banks namely Canara Bank (13), State Bank of India (22) and Bank of Baroda (3).

#### CFL outcome for March quarter 2024 quarter as under: -

No of camps conducted	<b>4308</b>
No of participants covered in camps viz a viz target population set by the NGOs	<b>131805</b>
No. of Bank accounts opened	<b>1859</b>
No. of persons covered under insurance	<b>15740</b>
No. of persons covered under Pension	<b>866</b>
No of Bank accounts reactivated	<b>985</b>
No. of debit/credit cards issued/reactivated	<b>1491</b>
No. of Debit/Credit card issued	<b>1042</b>
No. of persons who were assisted at the bank with bank operations.	<b>9815</b>
No. of grievance redressal addressed.	<b>1717</b>
No. of persons covered under online banking transactions	<b>10934</b>
No. of persons indebted to moneylenders (informal sector) who were bought to formal sector.	<b>894</b>
No. of persons sensitized under advanced financial products like mutual funds etc.	<b>706</b>
No. of persons covered under any government sponsored schemes.	<b>9069</b>

Bank wise outcome of CFLs for March quarter 2024 is enclosed as annexure -10 page No - 20.

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

The progress of KPIs by Banks at aspirational districts, reported by respective LDMs as on 31.03.2024 are as under:

As per LDMs report the respective district has achieved the set target in all 4 parameters but as per NITI Aayoga data only CASA and APY target have achieved.

**(A) Raichur District:**

Particulars	Key Performance Indicators (KPIs) as on 31.03.2024			
	Bank Accounts (CASA) per lakh population	PMJJBY enrollments per lakh population	PMSBY enrollments per lakh population	APY enrollments per lakh population
Target set by DFS	129755	9772	30303	2886
Achievement till Mar 2024	177793	14781	42853	4702
% Achievement	137%	151%	141%	162%
Gap to target (per lakh population)	Achieved	Achieved	Achieved	Achieved

**(B) Yadgir District:**

Particulars	Key Performance Indicators (KPIs) as on 31.03.2024			
	Bank Accounts (CASA) per lakh population	PMJJBY enrollments per lakh population	PMSBY enrollments per lakh population	APY enrollments per lakh population
Target set by DFS	129755	9772	30303	2886
Achievement till Dec 2023	161949	11373	24141	3388
% Achievement	125.00%	116.00%	80.00%	117.00%
Gap to target (per lakh population)	Achieved	Achieved	6162	Achieved

As per data submitted by LDMs both the districts have achieved 100% target under all 4 KPIs set by DFS.

Bank wise KPI data provided in Annexure-11, page No. 21-22 and defaulting banks are requested to achieve the allotted target.

**AGENDA 11: RBI Agenda:**

**11.1 Accord priority in deliberations at SLBC for districts performing poorly in financial inclusion and for assessing reasons stalling credit growth**

We draw your reference to our mails dated January 23, 2024 and February 7, 2024 where in our senior management has directed us to accord priority in deliberation at SLBC Meetings for districts performing poorly in financial inclusion and assess reasons stalling credit growth in those districts.

SLBC is advised to identify bottom 5 districts which are performing poorly in financial inclusion and assess reasons stalling credit growth in those districts. If need be SLBC may form sub-committee to assess the problems faced by these districts in achieving their potential and that

committee may lay down the path to be followed for improving credit growth and achieving ACP targets in a phased manner.

Deputy Governor, RBI in his address at the Annual Conference of Financial Inclusion and Development Department on February 23, 2024 highlighted that districts within the state which are performing poorly in the financial inclusion indicators must be accorded priority to eliminate bottlenecks which are impeding their growth, particularly the credit absorption capacity and its offtake. Uttara Kannada district with 45.09% CD ratio as on quarter ended March 31, 2024 and 55.54% MSME Achievement is one such district. SLBC is advised to take it as top priority for eliminating the bottlenecks

### **11.2 Inactive Fixed Point Business Correspondent (BC) Outlets (FBC) and other BCs**

We draw your attention to the deliberations of the meeting held with the Regional Director, Reserve Bank of India with banks and SLBC on January 25, 2024 where in it was emphasised that banks have to put in place a business continuity plan (BCP) if a BC became inactive and the banks should re-activate or appoint new BC within a reasonable timeframe.

Further, SLBC was advised during the 164<sup>th</sup> SLBC meeting to furnish bank wise reasons for inactive fixed BCs and to analyse that how many locations have become unbanked post fixed BCs had become inactive. With regards to BC certification, it was observed that only 14.66% have obtained certification in the state. During the 164<sup>th</sup> SLBC Meeting, all the member banks were advised to draw action plans for achieving 100% certified BCs in the state and share it with SLBC in 15 days. SLBC was advised to monitor progress in certification periodically. SLBC is requested to furnish an update.

### **11.3 Annual Credit Plan targets for FY 2024-25**

SLBC was advised to draw the ACP targets for the year FY 2024-2025 post analysing CD ratio, PSL targets, previous year's ACP targets as well as ACP achievements. SLBC has taken into account ACP target of 2023-24, ACP achievement of 2023-24 and CD ratio for December 2023. Since ACP is available for 2023, SLBC has estimated 30% increase during January – March 2024 quarter. The ACP targets for 2024-25 have been fixed with reference to estimated ACP disbursements for 2023-24. All member banks are requested to strive hard to ensure that the targets envisaged are achieved.

Further, SLBC was advised by ACS to GoK vide letter no. FD-CAM/41/2024 dated April 29, 2024 for need for revision of ACP 2024-25. The House may deliberate on this issue.

#### **11.4 Public Tech Platform for Frictionless Credit**

A meeting was convened by RBI between Principal Secretary, Revenue department and Reserve Bank Innovation Hub (RBIH) for demonstration of the PTPFC platform on February 13, 2024 to integrate land records of Karnataka to the PTPFC platform.

FIDD Bengaluru had received endorsement letter dated February 26, 2024 from Secretary to Government wherein he had written to Principal Secretary to Government, Revenue Department and Secretary to Government, Department of Personnel and Administrative reforms (E-Governance) to pursue the matter with RBI for facilitating implementation of the pilot programme at the earliest. However, we have not received any further communication from these government departments till date. Subsequently, we had received endorsement letter dated March 01, 2024 from CEO, Reserve Bank Innovation Hub to the Principal Secretary, Department of Revenue, GoK on March 01, 2024 for the integration of Karnataka land record system with RBI's Public Tech Platform for Frictionless Credit. Also, as discussed during the meeting, a draft MoU/ agreement had to be executed between RBIH and GoK. In this regard, RBIH had shared a draft agreement to Government of Karnataka and a copy to RBI vide mail dated March 23, 2024. GoK is requested to update the house in this regard.

#### **11.5 Persistent delay in data submission**

As per para 2.3.4 of RBI Master Circular on Lead Bank Scheme dated April 01, 2024, banks are required to upload the quarterly data on SLBC revamped portal within 15 days from the end of each quarter. Further, in terms of letter FIDD.CO.LBS.No S96141/02.01.001/2021-22 dated August 25, 2021, SLBC convenor banks have been instructed to submit the quarterly MIS statement to the concerned ROs within 15 days from the end of the respective quarter.

SLBC vide e- mail dated April 20, 2024 had furnished the list of banks who had not furnished the data within the prescribed timelines despite sending reminders. The names of banks are Axis Bank, CSB Bank Ltd, Yes Bank, Kotak Mahindra Bank, Bandhan Bank and Fino Payment Bank. All aforesaid banks are advised to adhere to the stipulated timelines going forward.

#### **11.6 Non-conduct or delay in conduct of LBS fora meetings (DCC / DLRC / SLBC Subcommittee)**

Six districts, viz. Bengaluru Urban, Gadag, Uttara Kannada, Mandya, Mysuru and Tumkur are yet to conduct DCC/ DLRC meetings for review of quarter ended December 2023. Uttara Kannada is yet to conduct DCC/ DLRC meeting for review of quarters ended September and December 2023.

The Lead Bank Controlling Office of Uttara Kannada has been advised vide emails and multiple reminders dated December 14, 2023, January 11 & 12, 2024, February 02, 2024, March 22, 2024 and April 03, 2024, to conduct meetings for review of September and December 2023, at

the earliest. LDM Uttara Kannada had replied vide email dated January 12, 2024 that LDM was engaged in Viksit Bharat Sankalp Yatra and hence was unable to conduct the DCC and DLRC meeting for QE September 2023. Further, LDMs Bengaluru Urban and Uttara Kannada have replied vide emails dated April 18, 2024, that on account of ongoing elections, CEO, Zilla Panchayat is busy in attending election related Meetings, as he is the Systematic Voters' Education and Electoral Participation (SVEEP) Committee Chairman.

SLBC is advised to sensitize all LDMs to conduct the LBS fora meetings within the prescribed timeline of 90 days from end of the concerned quarter. State Government is also requested to issue necessary instructions of district administration for holding LBS fora meetings timely and complete the pending meeting at the earliest.

### **11.7 Misuse of Business Correspondent (BC) Model**

We were in receipt of letter no. DPAR 12 CHUSAVI (Addl CEO -1) 2024 dated March 02, 2024 received from the office of Chief Electoral Officer, Karnataka Vide the above-mentioned letter, the authorities had referred to an email dated February 14, 2024 forwarded by Commissioner, Commercial Taxes, Govt. of Karnataka (enclosed) on Misuse of Business Correspondent (BC) Model (as shown in the enclosed flowchart – wallet system). In view of the ensuing the General Election to Lok Sabha 2024, they had requested us to take necessary and suitable action on the concerns expressed by Commercial Taxes authorities. We had vide e-mail dated March 22, 2024 and March 26, 2024 had taken up the matter with SLBC Karnataka and LDM Mysuru seeking their comments. Subsequently, SLBC vide mail dated April 2, 2024 has furnished their comments.

We had further advised SLBC Karnataka to instruct all its member banks that if they have any tie-up arrangement with fintech (Spice money, Rapi pay, Swift money, Pay one referred to in [additionalceo1.karnataka@gmail.com](mailto:additionalceo1.karnataka@gmail.com) dated February 14, 2024 ) or any other company for utilisation of retail payment and settlement system of their BCs. The member bank concerned shall take suitable steps to prevent ineligible or unauthorised use of retail payment and settlement system of their BCs. Further, member banks may be advised to take note of that as principal in the tie arrangement/ any relationship (by whatever name called), the member banks shall be responsible for unauthorised / illegal use of BC mechanism by their agents / sub-agents (by whatever name called). Hence, they shall ensure against any misuse of BC mechanism including retail payment and settlement system of BCs. Further, SLBC was advised to ensure that all SLBC member banks submit their action taken report to SLBC and a compiled report to be sent to FIDD Bengaluru on April 19, 2024. However, despite our follow up vide mail dated April 19, 2024 and April 22, 2024, April 23, 2024, April 24, 2024, April 25, 2024 and telephonic conversation, we are yet to receive the consolidated report from SLBC Karnataka.

Banks are advised to take corrective action to overcome and plug the misuse of the current system.

### 11.8 Financial Literacy Camps by rural branches of banks

As per FIDD Circular dated March 02, 2017 on Financial Literacy by FLCs and rural branches, rural branches of banks are required to conduct one Financial Literacy camp per month. As per the data provided by SLBC on camps conducted by rural branches during the quarter ending March 31, 2024, some banks have not met the target of one camp per month. Such banks include DBS Bank, Axis Bank, IDFC First Bank, Equitas Small Finance Bank, Ujjivan Small Finance Bank and Jana Small Finance Bank. Date on shortfall is given below.

S No	Bank Name	Number of Rural Branches	Target no. of camps	Number of camps conducted	Shortfall
1	DBS Bank India	3	9	6	3
2	Axis Bank	21	63	58	5
3	Bandhan Bank	9	27	0	27
4	IDFC First Bank	10	30	18	12
5	Equitas Small Finance Bank	8	24	22	2
6	Ujjivan Small Finance Bank	19	57	54	3
7	Jana Small Finance Bank	9	27	22	5

Banks are advised to adhere to the aforementioned circular.

### 11.9 Awareness regarding Cybercrime Helpline number 1930

A reference has been received from Addl. Director General of Police (ADGP), Communication, Logistics and Modernization (CLM) regarding Coordination with police and banks for Cyber-crime cases registered through Cybercrime Helpline number – 1930.

It was brought to their notice that the National Cyber Crime Reporting Portal – “1930”, established by the Ministry of Home Affairs, Government of India, plays a crucial role in addressing the rising cybercrimes in the country. In this regard, the State Police and various banks are the primary stakeholders involved in combating cyber financial frauds. It is mentioned that the responsibility of the Police is to quickly register the Cybercrime through “1930” portal but the banks are experiencing delays in freezing the fraudulent account. Police Department has further mentioned that the concerned bank and its personnel need to be sensitized about the need for prompt response and end-to-end action against cybercrimes.

To address the above-mentioned issues, ADGP (CLM) has proposed few suggestions to tackle Cybercrimes and “Creation of awareness about the Cyber Crime Helpline number “1930” amongst all banking customers, with a particular emphasis on vulnerable sections such as senior citizens, through banks and social media channels” is one of them.

In this connection, SLBC and banks are requested to disseminate the aforesaid information for creation of awareness regarding the Cyber Crime Helpline number “1930” through all the bank branches in the state.

## **AGENDA 12: NABARD AGENDA:**

### **12.1: Continuation of ACABC Scheme FY 2024-25.**

Directorate of Extension, Department of Agriculture and Farmers Welfare, GoI has informed about the continuation of ACABC Scheme for the current FY 2024-25 with the existing cost norms. All the Banks are requested to explore extending credit to eligible candidates.

### **12.2: Resumption of nationwide fisheries and AH KCC campaign.**

Vide agenda for 162<sup>nd</sup> SLBC meeting, we had informed about the resumption of the Nationwide AHIDF-KCC Campaign from 1<sup>st</sup> May 2023 to 31<sup>st</sup> March 2024, aimed at providing Kisan Credit Card facility to all eligible farmers engaged in Animal Husbandry & Fisheries. A review meeting on the aforementioned campaign was convened under the chairmanship of the Secretary, Department of Animal Husbandry and Dairying (DAHD), GoI, and all Banks have been duly advised to process and clear all pending applications under the campaign by 30<sup>th</sup> April 2024.

In view of the above, banks may expedite clearance of all pending applications by the set deadline and may update the status of the applications on the Jan Suraksha Portal of DFS ([www.jansuraksha.gov.in](http://www.jansuraksha.gov.in)).

### **12.3: Revised AMI Guidelines and Utilization Certificates GSS Schemes.**

As per latest revised AMI guidelines issued by GoI, submission and scrutiny of proposals have been fully digitized and Financial Institutions need not submit the hard copies of the project to RO. The guidelines have already been communicated to the controlling offices of banks. As per the guidelines Joint Monitoring Inspections are also dispensed with and now FIs are required to conduct the inspection and submit the online declaration. Detailed instructions have already been issued to SLBC and Banks which need to be adhered fully by all concerned.

Further all banks are advised to **submit the UCs** immediately upon receipt of final subsidy to NABARD in case of AMI and ACABC Schemes

### **12.4: Digitisation of Scale of Finance.**

Govt. of India, along with the State Governments is now setting up Agri-Stack to make it easier for farmers, inter alia, to access credit. As SoF is an important variable in determining the quantum of agri-credit, a digital SoF registry has been devised by NABARD to capture SoF data in line with the crop registry of MoA&FW, Govt. of India. These formats can be accessed by the convenors of the DLTC and SLTC meetings (District Central Cooperative Banks and State Cooperative Banks respectively). Details have already been communicated. Apex Bank to start the exercise by October 2024 for fixing the SoF for 2025-26.

### **12.5: Unit Cost 2024-25.**

In order to facilitate/guide banks to finance investments in agriculture and allied sectors, unit costs for various activities are fixed by NABARD through a consultative process, with focus on technical feasibility and financial viability. These indicative Unit Costs for the year 2024-25, approved by the State Level Unit Cost Committee (SLUCC) have been uploaded in



NABARD's website as well as SLBC Website. SLBC, vide their email dated 08 April 2024, circulated the same to all LDMs for circulation to the branches.

Banks are requested to source the same and enable accelerated growth of investment credit in the State during the year 2024-25.

#### **12.6: Pledge financing for agriculture commodities through electronic Negotiable Warehouse Receipt (e-NWR).**

- Warehousing Development and Regulatory Authority (WDRA) has been established under the Warehousing (Development and Regulation) Act, 2007 for setting up a negotiable warehouse receipt system in the country, making Negotiable Warehouse Receipt (NWR) a prime tool of trade and regulation of warehouses.
- e-NWR can facilitate easy pledge financing by Banks and other financial institutions e-NWR also helps to save expenditure in logistic as stock can be traded through multiple buyers without physical movement and can be spilt for partial transfer or withdrawal. e-NWRs promote scientific warehousing for storage of agricultural goods and commodities.
- WDRA is striving to promote finance against e-NWR to farmers especially small & marginal farmers in the post-harvest phase. Dept. of Financial Services (DFS) vide letter No. 3/67/2022-AC dated 25.01.2023 had advised all Public Sector Banks to consider the feasibility of designing a loan product on the lines of 'SBI produce marketing loan'. DFS in letter No. 3/67/2022-AC dated 17.01.2023 advised Convenors of SLBCs to include pledge finance against e-NWR as a permanent agenda in its meetings. Therefore, banks may consider extending credit for pledge financing through e-NWRs. **(GoK letter No. FD 38 CIF 2024 dated 18.04.2024).**

#### **12.7: Support Under NABSanrakshan Credit Guarantee Scheme.**

- Banks may provide collateral free loan to FPOs under NABSanrakshan credit guarantee scheme.
- NABSanrakshan Trustee private Co., NABARD's wholly owned subsidiary is mandated to manage various credit guarantee funds of Gol and Other agencies. The institutional architecture is a two-tier structure with NABSanrakshan and Credit Guarantee Trustee Company Ltd (NCGTC), set up by Ministry of Finance. It provides Credit Guarantee for agricultural and rural sector loans.

##### **Details of CG for FPO:**

<b>Item</b>	<b>Description</b>
Guarantee Cover	85% if sanctioned amount upto ₹1 cr, max ₹ 85 lakhs
	75% if sanctioned amount beyond ₹ 1 cr, max ₹1.5 cr
Annual Guarantee Fee	0.75% if sanctioned amount upto and ₹1 cr
	0.85% if sanctioned amount beyond ₹1 cr
Eligible Lending Institutions	All Schedule Commercial Banks including Regional Rural Banks, Co-operative Banks etc
Corpus	₹ 1000 crore (co- contributed by Gol and NABARD)
Settlor	Department of Agriculture and Farmers Welfare, Gol

Banks may explore the possibility of providing overdraft facilities to the FPOs, even though FPOs have taken loan from other financial institutions.

### 12.8: Support under Financial Inclusion.

- 41 news CFLs have been set up in Karnataka under Phase-III of CFL against which total grant support of ₹29.30 lakh per CFL for meeting 100% of the Capex cost and 90% of the Opex cost have been sanctioned under FIF. Capex support of ₹5.00 lakh per CFL and Opex support of ₹8.10 lakh per CFL per year for 3 years (90% of the total Opex cost) is funded under FIF.
- CAPEX claim were received from the Sponsor Bank, viz. SBI, Canara Bank, Bank of Baroda and Union Bank. Capex claims of 19 CFLs have been settled. Bills of Union Bank is pending as we are awaiting budget for the current year.  
Sponsor Banks are requested to submit timely claims under CAPEX and OPEX to NABARD.

### 12.9: Support to Government of Karnataka under RIDF.

NABARD has been supporting GoK in creating rural infrastructure covering Agriculture and allied sector, rural connectivity, and social sector including drinking water projects enabling overall development of rural areas. The complete list of the projects sanctioned are available on our website viz., [www.nabard.org](http://www.nabard.org). The sector-wise summary of support extended from the RIDF tranche (I to XXIX) are as indicated below:

(Amt. in ₹Crore)

S.No	Name of the Sector	No. of projects	Total Financial Outlay	Loan Sanctioned	Amount Disbursed
1	Agriculture and Allied	5142	2581.30	2409.31	1482.98
2	Bridges	1921	1288.76	1049.54	964.43
3	Irrigation	5347	7953.37	5903.84	4497.56
4	Roads	10720	7064.86	5755.14	5234.17
5	Social	21004	9840.40	5854.70	4630.11
	<b>Total</b>	<b>44134</b>	<b>28728.69</b>	<b>20972.53</b>	<b>16809.25</b>

### 12.10: Inviting Urban Co-operative Banks & Small Finance Banks for DCC/DLRC meetings.

Urban Co-operative Banks & Small Finance Banks are part of priority sector lending and LDM may be advised to invite those bankers for the district level meetings conducted by them.

### AGENDA 13: Expanding and Deepening of the Digital Payments Ecosystem:

RBI CO Mumbai vide their letter ref FIDD.CO.LBS.No. S704/02.01.014/2023-24 dated 09.08.2023 informed that all the Districts in the State has to be digitally covered to all eligible accounts. Timelines for completion of 100% digitization in all the Districts are before 31.12.2024.

The below mentioned Banks has achieved 100% digitization in 27 districts are - **State Bank of India, Bank of Baroda, UCO Bank, Indusind Bank, KBS Bank, YES Bank, ICICI Bank, IDFC Bank, India Postal Payment Bank, Fino payment Bank, Airtel Payment Bank, ESAF Bank, Ujjivan Small Finance Bank, Jana Small Finance Bank and Au Small finance Bank.**

**Major Bank wise performance as on 31.03.2024 as under.**

SI No.	Bank Name	Savings Accounts (% coverage)	Current Accounts (% coverage)
1	State performance	96	95
2	Canara Bank	84	100
3	Union Bank of India	92	85
4	Bank of India	97	70
5	Punjab National Bank	91	76
6	Indian Bank	98	79
7	HDFC Bank	99	99
8	Axis Bank	99	82
9	Karnataka Gramin Bank	99	77
10	Karnataka Vikas Gramin Bank	95	97

We request all member Banks to achieve 100% digitization remaining 27 districts within the timelines.

In spite of repeated follow up from SLBC many Banks are not submitting monthly data in SLBC revamp portal within time line, we request RBI intervention in the said matter.

The overall District wise performance is provided in annexure-12, page No -23 .

#### **AGENDA 14.1: Pradhan Mantri Fasal Bima Yojana (PMFBY) Agriculture Department:**

As on 22.04.2024 total 1536 no. of applications amounting to Rs. 2.70 Cr is pending for settlement under PMFBY due to NPCI payment failure and Blank Aadhar from different member Banks.

Restricted

During 2023-24 Kharif, as on 22.04.2024 there are 9,711 beneficiaries amounting to 980.22 crores has been settled against the total eligible beneficiaries of 12,864 amounting to 1473.41 crores.

In ICICI Bank there are 771 proposals amounting to 1.68 crores are still pending for settlement due to blank aadhar and NPCI failure.

Multiple enrollment of farmers in PMFBY Kharif 2019 and Rabi 2019–20 seasons on same e-Aadhaar enrollment number and not actual Aadhaar resulting in non-payments of claims ICICI Bank had enrolled farmers under PMFBY in 2019-20 using the same e-Aadhaar enrollment number or not entering the actual Aadhaar number, thereby violating paragraph 6.3 of Pradhan Mantri Fasal Bima Yojana operational guidelines.

Notwithstanding the illegality of the action in doing so and violation of PMFBY guidelines, since Samrakshane portal allows as per the policy of Government of Karnataka, to pay the claims through Aadhaar based DBT transactions only, in all these cases farmers have been denied their claims.

#### **14.2: Restructured Weather Based Crop Insurance Scheme: -**

As on 31.03.2024 total 61.43 crore amount is pending for settlement under RWBCIS due to various reasons like, crop survey verification pending, crop mismatch etc.

Around 97.37 % of claims are already been settled by insurance companies.

Year wise Kharif and Rabi enrollment and claim settlement details for PMFBY & RWBCIS is enclosed as annexure – 13, page No 24-25.

## AGENDA 15: KCC:

### 15.1 KCC Loans – Disbursements & Outstanding:

[ cards in lakhs] [Amount in crores]

Disbursement of KCC from 1 April 2023 to 31 <sup>st</sup> March 2024		KCC Outstanding as on 31 <sup>st</sup> March 2024	
No. of Cards	Amount	No. of Cards	Amount
6591577	73565	4831453	65027

Bank wise data on KCC loan as on March 2024 is provided in the Annexure -14 page No-26 .

### 15.2. 1% interest Subvention for KCC loans:

Government of Karnataka is providing 1% interest subvention for crop loans (KCC) up to 1 lakh to the farmers who are repaying KCC loans promptly.

1% Interest subvention claims pendency details as under:

Financial Years	Pending amount (crores)
2021-22	4.24
2022-23	13.52
2023-24	0.31
<b>TOTAL</b>	<b>18.07</b>

We request Agriculture department, GoK to release the pending claims as early as possible.

Bank wise and year wise pending details are enclosed in annexure-15, page No-27.

### 15.3. KCC-Dairy and other Animal Husbandry activities:

In order to ensure maximum coverage of farmers engaged in Animal Husbandry and Fisheries under KCC, **DFS: GOI has launched nationwide AHDF KCC Campaign**

**Progress under the campaign** as on 31.03.2024 is given here below.

Parameters	Total no. of application received	Total no. of application accepted	Total no. of application sanctioned	Total no. of application rejected
KCC-AH	247154	245509	108546	117136
KCC-FISH	31780	30609	14226	15491
<b>Total</b>	<b>278934</b>	<b>276118</b>	<b>122772</b>	<b>132627</b>

KCC applications rejected due to the already availed KCC loan, Applicant in default NPA etc.

District wise progress under this campaign data is given in Annexure-16, page No -28.

All the banks have shown excellent performance under KCC AH & Fishery campaign launched by DFS.

KCC AH O/S as on 31.03.2024 amounts to **₹952** Crores for **187940** accounts.

KCC Fisheries O/S as on 31.03.2024 amounts to **₹300** Crores for **20220** accounts.

KCC Dairy loans sanctioned during the quarter and outstanding as on 31.03.2024 is provided in the Annexure-17, page no 29-30.

Performance under KCC-Fisheries as on March 2024 is provided in Annexure-18 page no-31.

#### 15.4 Agriculture Infrastructure Fund (AIF):

SLBC requests all member banks to guide applicants to get the help from District Resource Persons and to advise their branches and administrative offices to cover all activities coming under AIF scheme by routing the application through the AIF portal.

Achievement during the year 2023-24:

(amount in crores)

Physical Target	Achievement	% ach	Financial Target	Achievement	% ach
2250	907	40%	1150	885	77%

Progress under the scheme is given in the Annexure-19 page No -32.

#### AGENDA 16. Banking statistics as on 31<sup>st</sup> March 2024:

##### 16.1: Business figures under various parameters:

(Amount in Crores)

Particulars	Mar-23	Mar-24	Variation over Mar 2023	
			Absolute	In %
Deposits	1411808	1602856	191048	14
Advances	1038003	1253213	215210	21
Total Business	2449811	2856069	406258	17
Credit-Deposit Ratio	<b>73</b>	<b>78</b>	5	***
Total PSA	392945	449827	56882	14
% of PSA to Total Advances of Preceding year	<b>44</b>	<b>43</b>	-1	***
Agricultural Advances	192268	224055	31787	17
% of Agri. Adv. to Total Adv. of Preceding year	<b>21</b>	<b>22</b>	0	***
Advances to MSME	143047	168990	25943	18
% of MSME to Total Advances of Preceding year	<b>16</b>	<b>16</b>	0	***

Sector	Particulars
Deposits, Advances & CD Ratio	There is a Y-o-Y growth of 14 % in Deposits and 21% in Advances. CD ratio of the state as on 31.03.2024 is 78%.
Total PSA	There is a Y-o-Y growth of 14% in Total Priority Sector Advances.
Agricultural advances	There is a Y-o-Y growth of 17 % in Agricultural Advances.
MSME sector	There is a Y-o-Y growth of 18 % in MSME Advances.

## 16.2: Branch Network:

(in numbers)

Particulars	Dec-23	Mar-24	Variation of Mar 24 over Dec 23
Rural	4318	4341	23
Semi-Urban	2778	2806	28
Urban (including Metro)	5041	5114	73
<b>Total</b>	<b>12137</b>	<b>12261</b>	<b>124</b>

In comparison to the December quarter 2023, there is an increase of **124** branches for the March quarter 2024.

Bank wise and district wise No. of bank branches in the state is provided in Annexure-20, page No 33-34.

## 16.3 Status of Rural Bank Branch closure:

Dist. name	Bank name	Merging Branch /Relocation	Acquiring Branch	Distance between branches	Remarks
Nil					

## 16.4: ATM Network:

(In numbers)

Particulars	Dec-23	Mar-24	Variation of Mar 24 over Dec 23
Rural	2168	2117	-51
Semi Urban	3528	3383	-145
Urban	11742	11562	-180
<b>Total</b>	<b>17438</b>	<b>17062</b>	<b>-376</b>

- ❖ The total number of ATMs has decreased from 17438 as on 31.12.2023 to 17062 as on 31.03.2024, thus showing a decrease of 376 ATMs during the quarter. Decrease in ATM is due to- State Bank of India-236, Union Bank of India -77, Indian Overseas Bank -99.

Bank wise and district wise No. of ATMs in the state is provided in Annexure-21, page No 35-36

## 16.5: Progress under Aadhar seeding of operative CASA accounts:

(Number in lakhs)

As on	No. of operative CASA A/cs	No. of CASA A/cs seeded with Aadhar	% of Aadhar seeding
15.12.2023	963	869	90
12.04.2024	987	882	89

- All member banks are requested to sensitize the branches for further improving in Aadhar seeding.
- The Bank-wise Progress under Aadhar seeding of CASA accounts in Karnataka state as on 12.04.2024 is furnished in the Annexure-22, page No-37 .

**AGENDA 17: Government sponsored schemes & discussion on lending towards Government sponsored schemes (DAY-NRLM, DAY-NULM, MUDRA, Stand-Up India, etc.) and impact of these schemes.**

**17.1. Performance under various Govt. Sponsored Schemes as on 31.03.2024:** Latest position on progress / achievements of various Govt. sponsored schemes are furnished in the Annexures:

Progress shown is of actual number of applications sponsored to the corporation.

SLBC requests all member banks to sanction and disburse all the pending applications under various Government sponsored schemes.

**17.2: PMEGP performance as on 31.03.2024:**

<b>TARGET AND ACHIVEMENT UNDER PMEGP IN KARNATAKA STATE DURING 2023-24 (As on 31.03.2024)</b>									
STATE	TARGET			ACHIVEMENT			ACHIVEMENT IN %		
	PRO (No)	M (Lakh)	M (NO)	PRO (No)	M (Lakh)	M (NO)	PRO (No)	M (Lakh)	M (NO)
KARNA-TAKA	5215	15124	41720	4648	15697	37184	89	104	89

<b>TARGET AND ACHIVEMENT UNDER PMEGP FOR 2nd LOAN IN KARNATAKA STATE DURING 2023-24 (As on 31.03.2024)</b>						
<b>(Projects and Employment in Nos.&amp; M M Rs.In Lakhs.)</b>						
Status as on	TARGET			ACHIVEMENT		
	PRO	M M	EMP	PRO	M M	EMP
31.03.2024	51	502.68	408	24	166.70	192

All member banks are requested to look into the matter and arrange for sanction of maximum loans under PMEGP scheme, if otherwise in order. Performance under the scheme as on 31.03.2024 as Annexure-23, page No 38-39.

The percentage of NPA under PMEGP is **17.79%**.

**17.3: CREDIT FLOW TO MINORITY COMMUNITIES:**

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

(Amount in Crore)

O/s on at 31.12.2023			O/s as on 31.03.2024		
No. of accounts	amount	% to total PSA	No. of accounts	amount	% to total PSA
2687532	44949	10	2828911	46732	10

SLBC requests Karnataka State Minority Corporation to source maximum applications from all eligible minority communities to reach the Prime Minister 15 points programme and if any issues exist the same may be taken up with State Level authorities through Lead District Managers.

Bank wise outstanding to Minority Communities as on Mar 2024 provided in annexure- 24, page No-40.

### 17.3.2: Progress under finance to Minority Communities in the identified Districts of State:

The outstanding level of credit to minority communities in the identified Districts as on Mar 2024 are under.

(Amount in crores)

Name of the District	Bidar		Kalburgi		Dakshina Kan-nada	
	Dec-23	Mar-24	Dec-23	Mar-24	Dec-23	Mar-24
<b>O/s advances under Priority Sector Credit</b>	5054	7544	10685	11729	24516	25796
<b>Lending to Minority Community</b>	61	87	1201	1666	8825	8932
<b>% of Minority Community Lending to PSA</b>	1	1	11	14	36	35

- Sufficient care to be taken to ensure that minority communities also receive an equitable portion of the credit.
- State Bank of India is the Lead Bank in Bidar and Kalaburgi Districts and Canara Bank is the Lead Bank in Dakshina Kannada District.

### 17.4: Progress under SHG-Bank linkage/ Joint Liability Groups:

#### Progress under Self Help Groups (SHG):

Agency	As at Mar 2024				
	Credit Linkage for Mar 2023 quarter of		Cumulative during		Average finance per group
	FY 23-24	Amount	FY 23-24	Amount	(Rs. in lakh)
	No. of SHGs	(In Crores)	No. of SHGs	(In Crores)	For (Apr 23 – March 24) period (cumulative)
PSBs + PVTs	31973	1338	342572	13341	4
RRBs, Cooperatives & Other Banks	8871	324	33129	1190	4
<b>Total</b>	<b>40844</b>	<b>1662</b>	<b>375701</b>	<b>14531</b>	<b>4</b>

Bank wise progress under SHGs is provided in Annexure-25, page No-41.



**Progress under Joint Liability Groups (JLGs):**

Agency	Balance O/S as on Mar 2024		Average finance per JLG Member (in lakhs)	Disbursement during quarter		Average finance per JLG Member (in lakhs)
	No. of JLGs	Amount in Cr		No. of JLGs	Amount in Cr	
PSBs + PVTs	1923799	12083	0.63	736679	5290	0.72
RRBs, Cooperatives and Small Finance Banks	1102073	5211	0.47	260739	2403	0.92
<b>Total</b>	<b>3025872</b>	<b>17294</b>	<b>0.57</b>	<b>997418</b>	<b>7693</b>	<b>0.77</b>

Bank wise progress under JLG-Bank linkage program as at Mar 2024 is given in Annexure-26, page No-42 .

**17.5: Progress under Stand Up India scheme as on 31.03.2024:**

Member banks have sanctioned 14644 SUI loans amounting to Rs.3257.01 Cr from 01.04.2023 to 31.03.2024.

(Nos. in actuals and Amount in crores)

Scheme	Sanctioned during Mar 2024 Quarter		Cumulative FY 2023-24 (As at 31.03.2024)	
	No. of A/Cs	Sanction Amt.	No. of A/Cs	Sanction Amt.
SC	80	16	2411	510
ST	18	3	668	132
Women	298	63	11565	2615
<b>Total</b>	<b>396</b>	<b>83</b>	<b>14644</b>	<b>3257</b>

Bank-wise and District wise details of sanctions and disbursements under SUI as on Mar 2024 is provided in Annexure-27, page No 43-44.

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

SLBC request MSME department, SC/ ST corporation, KVIC and DICC to source maximum number of applications and submit to respective Bank branches.

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

[Amount in Crores]

Scheme	Dec 2023 Qtr.		Mar 2024 Qtr.		Cumulative FY 2023-24	
	No of A/cs	Amount Sanctioned	No of A/cs	Amount Sanctioned	No of A/cs	Amount Sanctioned
Shishu	1672815	5902.25	788497	3157	4119316	14812
Kishore	874851	10462.61	500080	4842	2234837	25169
Tarun	46890	4411.11	19713	1387	104787	9703
<b>Total</b>	<b>2594556</b>	<b>20775.96</b>	<b>1308290</b>	<b>9386</b>	<b>6458940</b>	<b>49684</b>

(Data Source- MUDRA Portal)

Member banks have sanctioned 6458940 MUDRA loans amounting to 49684.31crores from 01.04.2023 to 31.03.2024.

Bank-wise, District, State wise sanctions and disbursements under MUDRA is given in annexure-28, page No 45-46.

Karnataka State has secured number **4<sup>th</sup> position** with respect to MUDRA loan sanctions and disbursements in the country with the active participation of all member banks and support from line department and to reach the 1<sup>st</sup> position in the next financial year.

**17.7. Progress under PMFME scheme: Cumulative Progress under PMFME scheme in the State of Karnataka as on 31.03.2024:**

Details	No. of Accounts
Total cumulative Target	11910
Application applications submitted to Banks	7558
Loans under process	984
Loans Sanctioned	4068 (54% of appl sanctioned)
Loans Rejected	1872
Additional Docs required	634
Loan disbursed	3609 (88.72% of sanctioned)

Karnataka State has secured **8<sup>th</sup> position** in case of loans sanctioned and **2<sup>nd</sup> position** in case of disbursement in PAN India.

District wise, bank wise and target and progress under PMFME scheme is provided in Annexure-29, page No-47 .

Restricted

**17.8. Progress under DAY-NULM scheme as on 31.03.2024:**

<b>Self Employment Programme -(SEP) I,G,SHG-CL DAY-NULM PROGRESS DETAILS from 01.04.2023 to 31.03.2024</b>									
Name of the Component	Bankwise Target given by the LDM	No. of Applications Submitted	Applications Submitted to	No of Applications Sanctioned	Amount Sanctioned Rs(.In lakhs)	No of Applications Disbursed	Amount Disbursed Rs	Pending @ Bank	% on Disbursement against
Self Employment Programme- Individual Enterprises	3500	5339	9877.2	2511	4645.35	2510	4643.5	2829	71.71
Self Employment Programme- SHGs Credit Linkages	140	152	1216	130	1040	127	1016	25	90.71
	3500	3637	12730	2787	9754.5	2743	9600.5	894	78.37
<b>Total</b>	<b>7140</b>	<b>9128</b>	<b>23823</b>	<b>5428</b>	<b>15439.85</b>	<b>5380</b>	<b>15260</b>	<b>3748</b>	<b>75.35</b>

Smt. Uma Mahadevan, I.A.S., Additional Chief Secretary to Government has reviewed the Member Banks regarding the pending applications and informed to clear all the pending applications. Also suggested the member banks to process the pending applications now and final disbursement to be done after the code of conduct. Member Banks to note the same.

Bank wise pending applications under SEP-I,G,SHG details as on 31.03.2024 is provided in annexure-30, page No-48.

**AGENDA 18: Position of sector wise NPAs:**

**18.1: Non-Performing assets position as on 31.03.2024:**

(Amount in Crore)

Sl.	Sector	As on 31.12.2023		As at 31.03.2024			
		NPA Amt.	% of NPA	Acs - No.	NPA	Total Loan	% of NPA
					Amt.	O/s Amt.	
1	Agriculture	21853	10	1011016	21870	224055	10
2	MSME	12863	8	324508	13476	168990	8
3	Housing	647	2	10057	567	38014	1
4	Education	479	8	20562	454	6262	7
5	Other Priority sector adv	757	6	121361	664	11151	6
6	Non priority sector NPA	22226	3	458401	22302	803386	3
7	Total NPAs	58892	5	1947499	59379	1253212	5

Bank wise and segment wise NPA position is provided in Annexure-31,page No 49-51.

**18.2: Recovery of Bank's dues under PMEGP:**

The PMEGP NPA position as at March 2024 is furnished here under:

(Amount in Crore)

As on 31 <sup>st</sup> March 2024		
Balance O/S	NPA Level	% of NPA
1148.22	188	16.38

Bank-wise NPA level under the PMEGP scheme is furnished in Annexure-32, page no-52.

SLBC received March quarter data only from 24 Banks (major Banks data not received).

SLBC had requested all the member banks to share NPA details with KVIC, which had assured to assist in recovery. Few banks are yet to share the PMEGP data.

We request State Government to advice Department to help in recovery of PMEGP NPA cases.

**AGENDA 19: Issues remaining unresolved at DCC/DLRC meeting**

SLBC have not received any unresolved issues from any LDMS.

**AGENDA 20: Sub-committee meetings held during the review period:**

Sub-committee on Weaker section (State Bank of India) for September and December quarter 2023 is not conducted.

Sub-committee on Security (State Bank of India) for December quarter 2023 is not conducted.  
 Sub-committee on Retail (Bank of Baroda) for December quarter 2023 is not conducted.  
 SLBC requests convener banks to conduct above meeting immediately and share the minutes.

**AGENDA 20.1: DCC/DLRC Meetings:**

Due to Lokha Sabha elections the following LDMs have not conducted DCC/DLRC meeting for December quarter 2023.

Mysore, Gadag, Ramanagara, Bengaluru urban, Uttara Kannada, Mandya districts.

**AGENDA 21: Other issues:**

**21.1. Implementation of Kannada language by Banks.**

All member banks and LDMs are requested to ensure:

- 1) Availability of account opening forms, loan applications, challans etc., in Kannada language in the branches.
- 2) Use Kannada language in Bank ATMs, BNAs, Sign boards, letter heads, bank/branch seal and in RSETIs/RUDSETIs and FLCs.

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

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

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

**21.2: Performance under Atal Pension Yojana (APY) scheme for FY 2023-24: (01.04.2023 to 31.03.2024)**

Karnataka has achieved **70.20** % of APY target set by PFRDA during FY 2023-24 upto 31.03.2024.

Bank Category	No. of branches as on 01.04.2023	Target by PFRDA per branch	Total Target	Performance by Banks	Achievement %
PSB	5528	100	552800	364164	66
Major Pvt Banks	1046	70	73220	15254	21
PVT Banks	1376	30	41280	30713	74
RRB	1752	100	175200	181975	104
COOP BANK	255	20	5100	2992	59
<b>Total</b>	<b>9957</b>	<b>-</b>	<b>847600</b>	<b>595098</b>	<b>70</b>

\* Major Banks (ALL PSBs and 4 Private banks i.e. **ICICI Bank, AXIS Bank, HDFC Bank, IDBI Bank**).

Bank wise and District wise performance report provided by PFRDA is placed as Annexure-33, page No 53-55.

### 21.3: Progress under Aadhar seeding in PMJDY Accounts:

(Outstanding No. of Accounts in lakh)

Particulars	31.12.2023	31.03.2024
No. of PMJDY A/cs O/S	190	192
Total Aadhar Seeded A/cs	146	154
% Aadhar Seeding	77	80

Punjab National Bank (94655) and Union Bank of India (10921) has informed that the closure of many inactive & dormant PMJDY accounts. Also the reduction is due to conversion of some of the PMJDY accounts to regular SB accounts.

All member Banks are requested to encourage customers of new PMJDY and existing PMJDY accounts for Aadhar seeding.

Bank wise total progress under PMJDY Aadhar seeding as on 31st March 2024 is provided in the Annexure-34, page No-55 .

### 21.4: Status of Aadhar Enrolment Centers in Banks in the State:

UIDAI, Bangalore has informed that as on 31.12.2023, 556 kits are active with 148778 Enrolments / updates in the last 30 days against 481 active kits with 98366 enrolments/updates in the last 30 days as on 31.03.2024.

SLBC requests all Banks to improve the enrolments and carry out maximum enrolments/updates. SLBC also requests all Member Banks to give more focus for enrolments/updates in Raichur & Yadgir Districts.

Bank wise status of enrolment centers as per UIDAI in Karnataka is provided in Annexure-35, page No-56.

### AGENDA 22: Skill Development:

#### 22.1: Status of RSETIs / RUDSETIs as on 31.03.2024 reported by sponsor Banks are under:

There are 7 RUDSETIs and 24 RSETIs are functioning in the State of Karnataka.

Name of the Sponsoring Institution	No. of RSETIs	Target for 2023-24		Achievements (as at 31.03.2024)		
		Pro-grammes	Trained	Pro-grammes	Trained	% Ach
RUDSETI	7	188	5390	219	5967	111
Canara Bank	11	300	8442	319	8818	104
State Bank of India	7	193	5478	215	5686	104
Union Bank of India	2	57	1576	61	1584	101
Bank of Baroda	2	50	1600	61	1606	100
Kotak Mahindra Bank	1	28	875	32	881	101

<b>DCC Bank</b>	<b>1</b>	<b>33</b>	<b>990</b>	<b>36</b>	<b>1071</b>	<b>108</b>
<b>Total</b>	<b>31</b>	<b>849</b>	<b>24351</b>	<b>943</b>	<b>25613</b>	<b>105</b>

**22.2: Functioning and performance of RUDSETIs (7) / RSETIs (24) in Karnataka State.**

<b>SI No.</b>	<b>Particulars</b>	<b>As on 31.03.2024 (Cum since inception)</b>	<b>During FY 2023-24</b>
1	No. of training programs conducted	<b>13584</b>	<b>943</b>
2	No. of persons trained	<b>381455</b>	<b>25613</b>
3	No. of persons secured employment / self-employment	<b>274316</b>	<b>9739</b>
4	No. of trained persons credit linked	<b>166008</b>	<b>3145</b>

The progress achieved by RSETIs during the year is provided in the Annexure-36, page No-57. All member banks are requested to arrange for credit linkage to all RUDSET/RSET trained candidates to foster self-employment.

SLBC requests RSETIs to conduct credit awareness programmes in the middle of the training programmes and to share the list of trainers to local banks for facilitating credit linkage.

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

Since so far all the earlier four lands allotted to the RSETI BALLARI are in court under litigation. Director, CBRSETI, Ballari is continuously following up with the concerned authorities for early allotment land to our RSETI.

We request state government intervention in the said matter.

**22.4. Opening of new RSETI in Vijayanagara District:**

State Bank of India vide email dated 23-04-2024 has informed that they have taken up the matter with the District Commissioner, Vijayanagara to allot suitable alternate site for construction of new RSETI building vide letter dated 01.02.2024 and 08.04.2024. They have also requested to allot temporary premises for functioning of RSETI.

We request State Government intervention in the said matter.

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

The total no. of calls received at the Helpdesk from Jan 2024 to March 2024 is 2920.

All member Banks are requested to popularize this Toll Free Number **180042597777** among their customers.

**AGENDA 23: Other received from Stake holders for discussion.**

**23.1 Performance review of Central Sector Interest Subsidy (CSIS) scheme.**

SLBC has received the communication from DFS regarding Performance review of Central Sector Interest Subsidy (CSIS) scheme. Under this Scheme Interest Subsidy is given during the moratorium period i.e., Course period plus one year on Education Loan taken from the Scheduled Banks to students belonging to economically weaker sections whose annual parental income is up to Rs. 4.5 Lakh from all sources.

All member banks are requested to provide the eligible account list for review purpose.

### 23.2. Addition of credit to specific area while preparing District Credit Plan:

Additional Chief Secretary & Development Commissioner, GoK advised that while preparing the potential linked credit plan aligned with the exiting clusters in case of food cluster.

### 24. Success Stories:

Mr Basavaraju resident of Madanal village, Kustagi Tq., Koppal district was born and brought up in his village. His father was an ex-serviceman who had worked in Indian Army for a period of 10-years. Due to drunkardness his father was terminated from the services of Army. Coming back home his father had two acres of land and was doing agriculture with no compensation being provided to him from Indian Army.

Out of curiosity, he had visited the Institute and interacted with the Director and as per the advice of the Director he had applied for the 45-days Computer Hardware & Networking. Later he was selected for the training.

He could learn a lot of soft skills that will contribute to his success in both of his personal and business domains. The soft skills are administered to him through various training methodologies like simulation games, interactions, deliberations, seminar presentations, visit of successful entrepreneurs, listening to the lectures of both In-House and Domain Skill Trainers who are experts in their fields and MILLY (Most Important Lessons Learnt Yesterday), He also became expert in assembling and disassembling of the computers.

Presently he is performing well economically and settled in his life as successful entrepreneur. His parents, relatives, friends, and neighbors are taking him as role model and advising to their siblings to be like Mr Basavaraju. He along with his parents has settled happily at his native place and is intending to expand his business and employ more employees. He heartily thanks RUDSETI for its training.

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### 25. Addition of Shivalik Small Finance Bank as a SLBC member bank.

We have received a request from Shivalik Small Finance Bank mail dated -15.04.2024 requesting us to add them as a SLBC member bank.

SLBC request all the stakeholders to provide opinion in this regard.

### 26. Stamp Duty charges:

During 165<sup>th</sup> SLBC Steering committee meeting few member Banks have informed that recently there is an increase in Stamp Duty charges for all the loans which is causing the inconvenience/financial burden to customers and requested State Government to look into the matter.

SLBC requests State Government to look into.

**27. Unclaimed deposits:**

During 165<sup>th</sup> SLBC Steering committee meeting DGM , RBI has advised all member Banks to clear the unclaimed deposits as early as possible.

**28. Strict recovery policy by Micro Finance Institutes in the State of Karnataka:**

It has come to our knowledge through print media and also referred by ACS&DC, GoK that, some of Micro Finance Institutes are implementing coercive recovery policies which led to the suicidal tendencies among the borrowers in our State.

We request Reserve Bank of India kind intervention to ensure fair and ethical practices in the micro finance sector. An advisory may be issued to these institutions.

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