

STATE LEVEL BANKERS' COMMITTEE : KARNATAKA
Convenor – SYNDICATE BANK : CORPORATE OFFICE : BENGALURU

AGENDA NOTES FOR 136th MEETING OF SLBC
& BANKING STATISTICS PERTAINING TO SEPTEMBER 2016

AGENDA 1.0 : CONFIRMATION OF THE MINUTES OF 135th SLBC MEETING
HELD ON 19.9.2016

The minutes of 135th SLBC Meeting held on 19.9.2016 (to review the performance as on March 2016 & June 2016) were circulated vide letter No. 626/2016/2944/SLBC/101-135 dated 4.10.2016. The Minutes may be approved as no suggestions for amendments were received.

AGENDA 1.1 : FOLLOW-UP ACTION ON THE DECISIONS TAKEN DURING THE
PREVIOUS SLBC MEETING

Action Points	Action Taken
1) In view of the prevailing agrarian distress, all the Banks, particularly Private and Foreign Banks were requested to take up drought relief measures as per the directions of Supreme Court, Govt of India and RBI Master Circular dated 1.7.2015.	SLBC has advised the LDMS vide letter 674 dt 24.10.2016 to request all the Banks, particularly Private and Foreign Banks to take up drought relief measures as per the directions of Hon'ble Supreme Court, Govt of India and RBI Master Circular dated 1.7.2015. Special SLBC meeting was held on 19.11.2016, where Banks were requested to concentrate on rescheduling / rephasing of all the eligible accounts and Govt to assist the Banks in bringing the farmers to the branches through publicity for availing the benefit of rescheduling / Rephasing. In the meetings all the banks were informed to pass on the benefits received under crop insurance claims, eligible interest subvention, any EBT/DBT subsidy / grants without loss of time.
2) Release of 1% Interest Subvention on KCC/Crop Loans upto Rs.1 lakh by Dept of Agri GoK	Claims amounting to Rs.28,54,89,306/- are pending for sanction since May 2014 with GoK. The same was discussed in all the previous SLBC meetings and also SLBC has reminded the Dept through letters for early release of pending Interest Subvention. The Chairman-SLBC has requested the CS, GoK vide letter dated 23.12.2016 for early release of pending claims.
3) Corporation Bank, State Bank of Hyderabad & Andhra Bank were requested to expedite opening of FLCs in the remaining allotted 9 centers immediately.	During the review period, 2 FLCs have been opened at Gundlupet & Muddebihal. 7 FLCs are yet to be opened by Corporation Bank (Sandur), SBH (Afzalpur, Sedam, Bhalki, Aurad & Manvi) & Andhra Bank (Siruguppa).

<p>4) The call centre for grievance redressal and answering the queries by general public on various schemes under FI is now functioning from 8.00 am to 8.00 pm by two desks. In order to meet the cost of the helpline and also the cost of publicity on PMFBY, it was decided to share the total cost amongst the Banks having lead bank responsibilities, RRBs and the Apex Bank, who are having major exposure in the State.</p>	<p>The system is working effectively and functioning from 8.00 am to 8.00 pm by two desks. The average calls received per day increased from 12 to 20 during review period. SLBC is working out cost sharing by Banks and will communicate the same to the Banks having lead bank responsibilities, RRBs and Apex Bank.</p>
<p>5) The Line Departments to sponsor the applications evenly spread over the year instead of bunching at fag end of the year. The Banks to achieve the set targets well before the completion of the financial year.</p>	<p>SLBC vide letter No.615 dt 23.9.2016 has requested the Line Departments to advise the District level officials to sponsor proportionate number of applications as early as possible and to follow-up with the Branches for speedy sanctioning. KVIC is yet to communicate the targets under PMEGP and DMA under SULM.</p>
<p>6) In the State Level Coordination Committee (SLCC) meeting held on 1.8.2016 chaired by the Chief Secretary, GoK and convened by Regional Director, RBI to address the issues of unauthorized collection of funds by fraudulent entities, like Chit Funds, Money Chain, etc., it was decided to educate the investors cautioning them of such illicit schemes through advertisements prepared in the vernacular be displayed on BMTC / KSRTC Buses and in Bus shelters across the State.</p>	<p>As decided in the SLCC Sub Group held on 27.9.2016, SLBC has issued work orders on 7.12.2016 to the authorized advertisers for display of advertisement on KSRTC Buses initially in the 4 Districts, namely, Bengaluru City, Mysuru, Belagavi and Kalaburgi. It is decided to launch the campaign on 31.12.2016</p>

AGENDA 2.0 : KARNATAKA RAITHA SURAKSHA PRADHAN MANTRI FASAL BIMA YOJANA (KRS-PMFBY)

The progress under PMFBY Khariff 2016 is being reviewed on weekly basis by DFS. All the Banks have entered the enrolment data in the Samrakshane Portal of GoK. The Govt to take steps for settlement of claims.

PMFBY Rabi & Summer 2016-17

The State Level Coordination Committee on Crop Insurance (SLCCCI) Committee, in its meeting held on 14.9.2016 decided to use State designated Samrakshane portal for Rabi & Summer 2016-17 as it is linked with Bhoomi data base which checks the multiple enrolment and insuring more than the actual area owned by farmers. Further it is decided to take necessary action by Principal Secretary, Horticulture along with NIC to push data from Samrakshane portal to Gol portal.

Attaching utmost importance to the issue, the Minister of Agriculture, GoK had convened a meeting on 7.12.2016 involving Convenor and the concerned Depts and advised to scrupulously implement PMFBY during the Rabi & Summer 2016-17. As a follow-up action, the Dept of Horticulture convened Bankers' & Insurance Companies meeting on 8.12.2016. SLBC had conducted Bankers' meeting on 14.12.2016 and discussed strategies to cover all eligible loanee / non-loanee farmers.

The SLBC has communicated the Banks and LDMs, the Govt Order containing the scheme guidelines of Karnataka Raitha Suraksha Pradhan Mantri Fasal Bima Yojana for Rabi & Summer 2016-17. During the Special SLBC meeting held on 19.11.2016 the Bankers were advised to enter proper mobile numbers in the portal and the Department of Horticulture was advised to share that data with Banks to update the information and Horticulture / Agriculture Dept were requested to initiate effective measures for enrolling non-loanee farmers.

SLBC vide letter ref : 759 dated 29.11.2016 has forwarded to Banks, the Govt. Order No.146.2016 dated 23.11.2016 on implementation of PMFBY & WBCIS Rabi & Summer 2016-17 and Annexures containing the Cluster-wise, District-wise & Crop-wise Company Allocation.

The contact and premium collection a/c details of cluster-wise Insurance Companies are furnished herebelow:

Cluster	Contact details of Insurance Companies	Districts
Cluster – 1	Shriram General Insurance Co. Ltd. Mr Rajendra – 080-64510333; 9482429159 rajendra.a@shriramgi.in santosh.giri@shriramgi.in	Haveri / Yadgiri / Belagavi / Koppal / Uttara Kannada / Davanagere / Kolar
Cluster – 2	Agriculture Insurance Company of India Ltd. Mr Prabhakar – 080-22115157; 8147456806 ro.bangalore@aicoindia.com	Gadag / Vijayapura / Chitradurga / Chickmagaluru / Shivamogga / Bengaluru Urban / Ramanagara
Cluster – 3	United India Insurance Co. Ltd. Dr T.S. Seshadri – 080-22534019 9448073116; 8884492606 tsseshadri@uiic.co.in , rrijan@uiic.co.in	Kalaburgi / Tumakuru / Hassan / Chickballapura / Raichur / Mandya / Kodagu / Chamarajanagara
Cluster – 4	Agriculture Insurance Company of India Ltd. Mr Prabhakar – 080-22115157; 8147456806 ro.bangalore@aicoindia.com	Bagalkote / Bidar / Ballari / Dharwad / Dakshina Kannada / Udupi / Mysuru

Collection A/c details:

Shriram General Insurance Co. Ltd.	Account No. : 00540350003353 Name of the Bank : HDFC Bank Name of the Branch : C-Scheme, Jaipur, Rajasthan Branch Code : 000054 Address : Subash Marg, C-96, Kamal Kunj, Ahinsa Circle, C-Scheme, Jaipur IFSC : HDFC0000054 MICR Code : 302240002
Agriculture Insurance Company of India Ltd.	Bank Name : Axis Bank Ltd Branch : M.G. Road Main Branch Account No. : 009010200008570 IFSC : UTIB0000009
United India Insurance Co. Ltd.	Bank Name : Bank of America Branch Name : Anna Salai, Chennai IFSC : BOFA0CN6215 Account No. : UIIC070000CROPCELL (070000 are numerals)

SLBC has vide letter ref : 788 dt 9.12.2016 has requested all the banks to advise / guide their branches to adopt suitable strategies and to coordinate with other stakeholders for enrolling all the eligible farmers either as loanee or non-loanee farmer.

The enrolment particulars as on 27.12.2016 are as under:

Scheme	Kharif 2016			Rabi 2016		
	Loanee	Non-Loanee	Total	Loanee	Non-Loanee	Total
PMFBY	738494	198689	937183	8950	74039	82989
WBCIS	88452	13199	101651	2320	2825	5145
Total	826946	211888	1038834	11270	76864	88134

(Source : Samrakshane portal)

The Bankers are requested to impress upon the farmers to renew the KCC limits as per schedule to avail the benefit of Interest Subvention and also to enroll under PMFBY.

In the VC meeting held on 27.12.2016, GoK has advised the District level authorities and Lead Banks to adopt suitable strategy to maximize enrolment.

SLBC has issued Press Notes highlighting the salient features of the scheme & also benefits available to the regular KCC A/c holders. Press notes appeared on 20.12.2016 in VijayaVani and in Kannada Prabha on 27.12.2016.

AGENDA 3.0: DEMONETISATION OF SPECIFIED BANK NOTES

The Govt of India vide their Gazette Notification No.2652 dated 8.11.2016, as recommended by the Central Board of Directors of the Reserve Bank of India, has announced that the bank notes of denomination of the existing series of the value of five hundred rupees and one thousand rupees shall be ceased to be legal tender with effect from 9th November 2016.

The Banks are following the guidelines issued from time to time in this regard.

To mitigate the problems faced by the public and to encourage cash less transactions, the Banks have taken several remedial steps such as recalibration of ATMs, Deployment of Bank Mitras, Delivering of RuPay Cards and its activation, encouraging people to go for cash less transactions using alternate delivery channels. Banks have also taken several steps to open BSBD accounts of unorganized sectors by organizing special camps and delivered RuPay cards.

Other strategies suggested by SLBC for encouraging cashless transactions:

- Allocating Bank notes to rural branches, post offices and DCCBs.
- Instal PoS / EDC Machines at retail Petrol Pump Outlets not having PoS.
- Enhancing cash holding limit of Bank Mitras to ₹ 50,000/-
- Involving SHGs, Youth Organisations, FLCs to educate the people to use alternate delivery channels

SLBC has circulated the list of petrol bunks to all banks received from Petroleum ministry through DFS with an advise to install PoS Machines at the petro bunks having no PoS machines by 31.12.2016.

By and large, the things went off peacefully with sporadic incidents. The efforts put in by the banking industry in the State during the demonetization period was applauded by the Govt. Anticipating some untoward incidents, SLBC has requested the Police authority to provide security to rural bank branches.

Incentivising digital payments – Lucky Grahak Labh & Digi Dhan Vyapar Yojana

The DFS : MoF : GoI vide their letter F.No.21(23)/2014-15 (FI Mission) dated 21.12.2016 has informed that Government of India is actively seeking to promote digital payments to encourage consumers and merchants to increasingly shift to these payment modes. As part of this exercise, a scheme to reward consumers and merchants, who are using / have used digital transaction modes after 8.11.2016, has been framed by Niti Aayog. The scheme guidelines framed by Niti Aayog were made available to all the Banks by DFS.

The DFS Letter No.21(23)/2014-15(FI MISSION) dated 22.12.2016 containing the roles and responsibilities of Banks has already been circulated. Banks to initiate necessary action as per the guidelines enumerated in SOP. SLBC has conveyed SoP guidelines to the Banks vide letter ref : 814 dated 26.12.2016.

Formation of Task Force on demonitisation related issues ;

In pursuance of the directions of GoI vide letter No.24909 dated 26.11.2016, GoK vide their GO No. FD28 CAM 2016 dated 08.12.2016 has formed the task force under the chairmanship of ACS : Finance Dept & Mission Director (FI) to monitor demonitisation related issues. The first of the Task Force was convened on 23.12.2016.

AGENDA 4.0 : PROVIDING RELIEF MEASURES TO THE DISTRESS FARMERS

The Government of Karnataka has declared 139 taluks as drought affected during the current year 2016-17. In order to work out strategy for providing relief measures, a Special SLBC Meeting was held on 19.11.2016, where the ACS & DC, GoK participated. The following important decisions were taken.

1. The Lead District Managers to convene Special DCC meetings in consultation with respective district administration.
2. The Banks not to insist for additional collateral security while extending fresh finance to restructured account holders.
3. Govt to assist the Banks in bringing the farmers to the branches through publicity for availing the benefit of reschedulement / rephasing as there is only 90 days cap for availing the benefit.
4. Banks to follow the directions given by the Hon'ble Supreme Court in respect of Writ Petition of Swaraj Abhiyan Vs. Union of India & Others) on Crop Loan Re-structuring.

Accordingly, all the LDMS have convened Special DCC meetings to work out strategy for providing relief measures.

It was informed that the Banks were prepared to lend additional requirements by renewing the existing loan provided the farmers approach the Bank. The Govt was requested to give wide publicity and pursue the farming community to approach the Banks for restructuring the loans availed and to avail the benefit of Interest subvention, personal accident insurance coverage and crop insurance.

AGENDA 5 : IMPLEMENTATION OF BHOOMI-BANK INTEGRATION:

As per the information of Bhoomi-Bank website, the Banks have carried out 3,53,734 online transactions under Bhoomi Project as on 14.12.2016 since inception. **The agency-wise transactions are furnished herebelow:**

Agency	Transactions carried out	
	Total since inception upto 14.12.2016	Out of which, from 1.4.2016 to 14.12.2016
Commercial Banks	254401	13628
Regional Rural Banks	91559	8765
Coop. Banks	3554	1116
Coop. Societies	4220	1268
Total	353734	24777

It is observed from the data sourced from the Bhoomi-Bank Website that most of the Banks are not utilizing the facility to its full extent. Agency-wise details are furnished in the Annexure- I (Page No.18).

All the Banks are once again requested to make use of the portal.

AGENDA 6.0: IMPLEMENTATION OF PRADHAN MANTRI JAN DHAN YOJANA (PMJDY)

The progress under the scheme as on 31.3.2016 and 09.12.2016 is furnished herebelow.

As on	A/cs opened – Rural	A/cs opened – Urban	Total a/cs opened	Aadhaar seeded	Balance in a/cs (₹ in cr)	A/cs with zero balance	Rupay Cards issued
31.3.2016	51,57,713	36,74,350	88,32,063	49,73,881	1168.24	24,95,404	77,77,565
1.4.2016 to 09.12.2016	5,57,672	5,21,410	10,79,082	15,56,538	1549.19	3,46,295 (reduced)	9,81,641
Total	57,15,385	41,95,760	99,11,145	65,30,419	2717.43	21,49,109	87,59,206

Totally, 68,01,021 RuPay cards have been activated, as on 9.12.2016, comprising 77.64% of the cards issued.

The Bank-wise/District-wise details as on 9.12.2016 is furnished in the Annexure-II A & II-B (Page No.19-21).

Progress under Special Drive from 15.9.2016 to 31.10.2016

As informed by the DFS: MoF: Gol vide their letter F.No.21(23)/2014-FI (Mission) dt 8.9.2016 to organise Special Drive for financial inclusion initiative from 15.9.2016 to 31.10.2016, the LDMS in association with Banks & Dist admn. have organized camps.

SLBC had convened Bankers meeting on 28.9.2016 to review the progress made, where the Director : DFS : Mol participated. Further, DFS: MoF had conducted VC meeting on 3.10.2016 and reviewed the Bank-wise progress and directed the Banks to gear up the issue of Rupay card and its activation.

AGENDA 6.1 : IMPLEMENTATION OF SOCIAL SECURITY SCHEMES BY GOI

- (1) PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA (PMJJBY),
- (2) PRADHAN MANTRI SURAKSHA BIMA YOJANA (PMSBY) &
- (3) ATAL PENSION YOJANA (APY)

The Progress in enrolment of applications as on 30.11.2016 is furnished herebelow:

(No. in lakhs)

Scheme	Total No. of a/cs eligible	Achievement	No. of applications recd in rural areas	No. of applications recd in urban areas	No. of applications recd from males	No. of applications recd from females	No. of claims settled (Actuals)
PMJJBY	369.61	28.04	12.97	15.07	16.58	11.46	4253
PMSBY	423.16	61.65	29.19	32.46	37.10	24.55	662
APY	220.81	2.43	0.97	1.46	1.42	1.01	0
Total	1013.58	92.12	43.13	48.99	55.10	37.02	4915

The Bank-wise / District-wise status as on 30.11.2016 of the 3 schemes is furnished in Annexure-III A, B, C, D, E, F, G (Page No.22-31).

Achievement under APY for 2016-17 vis-à-vis targets

The Banks have enrolled 75,131 individuals against a target of 4,15,200, thereby achieving 18.1% of the target. Bank-wise Target / Achievement is furnished in the Annexure-III H (Page No.32).

AGENDA 6.2 : ROADMAP FOR OPENING BRICK & MORTAR BRANCHES IN VILLAGES WITH POPULATION MORE THAN 5000 WITHOUT A BANK BRANCH OF A SCHEDULED COMMERCIAL BANK

SLBC has prepared the roadmap in tune with the RBI guidelines. As per the roadmap prepared, out of the 1000 villages with population of above 5000, 790 villages were already having a brick and mortar branch of a scheduled commercial bank. Out of the remaining 210 villages, 12 B&M, 49 USBs have been opened. The progress in this regard is dismal. The timeline given by DFS is fast approaching. Hence, the allottee Banks have to immediately initiate action to open the Branches at their centers before the deadline of March 2017. Bank-wise/District-wise status of coverage is furnished in the Anx-IV A & B (Page No.33-34).

AGENDA 7.0 : ROLL OUT OF PRADHAN MANTRI MUDRA YOJANA (PMMY)

The progress under PMMY as of 14.12.2016 is furnished herebelow:

Period	Shishu		Kishore		Tarun		Total	
	A/cs	Disbursed Amount	A/cs	Disbursed Amount	A/cs	Disbursed Amount	A/cs	Disbursed Amount
Upto 31.3.2016	752922	1775.44	242996	4566.68	41024	2642.26	1036942	8984.38
1.4.2016 to 14.12.2016	309155	920.07	167538	2663.94	27917	1705.43	504610	5289.44
Total	1062077	2695.51	410534	7230.62	68941	4347.69	1541552	14273.82

The Bank-wise progress report for the FY 2016-17, as on 14.12.2016 is furnished in Annexure-V (Page No.35-36).

All the Banks are requested to continue their efforts in entertaining eligible proposals under MUDRA and stick to the timeline prescribed for disposal of loan applications.

AGENDA 8.0 : STAND-UP INDIA PROGRAMME

Progress for the period 5.4.2016 to 30.11.2016. (₹ in lacs)

Category	No. of A/cs	Amt sanctioned	Amt disbursed
SC	171	2916.61	2360.77
ST	34	803.39	715.30
Women	661	13408.45	11386.70
Total	866	17128.45	14462.77

The Bank-wise achievement as on 30.11.2016 is furnished in the Annexure-VI (Page No.37).

All the Banks are requested to accord priority for implementation of the scheme.

AGENDA 9.0 : PROVIDING LOAN FACILITY FOR FAIR PRICE SHOPS (FPS)

The Dept of Food & Civil Supplies, GoK vide their letter No.FCS.352.EBT.2016(P) dated 19.12.2016 has informed SLBC that the Dept intends to distribute the food grains for the ration card holders under the Public Distribution System through Aadhaar based bio authentication / coupons at Fair Price Shops. For this, FPS have to make their own arrangements towards infrastructure like Desk top / laptop, bio metric scanners, printers etc. Hence, the department has requested for sanction of maximum loan of ₹ 50,000/- for acquiring the above said devices to the FPS owners. In future, such FPS with this infrastructure can also be empanelled as Bank Mitras wherever they are found fit.

The house may deliberate on the subject.

AGENDA 10.0: KARNATAKA FARMERS' RESOURCE CENTRE [KFRC]

The KFRC has conducted 51 training programmes involving 2747 participants during the fiscal 2016-17. The cumulative works out to 579 programmes and 39054 participants since inception.

Problems faced by KFRC in construction of new Campus Building and latest developments

The issue is being discussed in the SLBC Meetings since from the last one year and representations have been submitted to the Hon'ble Chief Minister and also taken up with the Chief Secretary, GoK. However, the issue is not yet resolved.

In the meeting of Board of Trustees held on 19.9.2016, it was resolved to proceed with legal action as per the decision taken in the meeting. Accordingly, KFRC has filed Writ Petition on the file of Hon'ble High Court of Karnataka, Dharwad Bench.

In the meanwhile, the ACS & DC, GoK vide his letter dated 8.12.2016 has informed the Pr. Secretary, Revenue Dept to advise the Dy. Commissioner, Bagalkot to withdraw the stay order for construction of building and acquiring of 6 Acres of land allotted to KFRC. The House may deliberate on the issue and suggest future course of action.

AGENDA 11.0 : REVIEW OF BANKING STATISTICS AS OF SEPTEMBER 2016

(Amount in Rs cr)

Particulars	Sep.15	Sep.16	Variation	Growth Y-O-Y
Deposits	643929	727000	83071	12.90
Advances	470179	546682	76503	16.27
Credit-Deposit Ratio	73.02	75.20	2.18	
Total PSA	202668	249589	46921	23.15
% to Total Advances	43.10	45.66	2.56	
Agricultural Advances	95793	112909	17116	17.87
% of Agri. Advances to Total Adv.	20.37	20.65	0.28	
Weaker Section Advances	63680	68528	4848	7.61
% of WS Adv. to Total Advances	13.54	12.54	-1.00	
BRANCH NETWORK				
[i] Rural	3821	3992	171	4.48
[ii] Semi-Urban	2388	2458	70	2.93
[iii] Urban	2009	2109	100	4.98
[iv] Metro/PT	1966	2160	194	9.87
Total Branches[No]	10184	10719	535	5.25
ATM NETWORK				
[i] Rural	2314	2436	122	5.27
[ii] Semi-Urban	2672	3018	346	12.95
[iii] Urban	3376	3787	411	12.17
[iv] Metro/PT	5882	6261	379	6.44
Total Branches[No]	14244	15502	1258	8.83

The Bank-wise position as of Sep. 2016 is furnished in **Annexure VII A** (Page No.38-39) in respect of Branch Net Work, Deposits and **Annexure VII B** (Page No.40-41) for Advances and CD ratio and in respect of Priority Sector and Weaker Section Advances is presented in **Annexure VII – C** (Page No.42-43) and Bank-wise data on outstanding SF/MF, SC/ST & DRI is presented in Annexure VII-D (Page No.44-45).

**AGENDA 12.0: COVERAGE UNDER CREDIT GUARANTEE SCHEME OF CREDIT
GUARANTEE FUND TRUST FOR MICRO & SMALL ENTERPRISES
[CGTMSE] –**

Under guarantee scheme of CGTMSE, Banks have covered 12433 units with an approved amount of ₹ 582.53 cr during the QE September 2016 and the cumulative progress was 229043 units amounting to ₹ 11323.37 crore [Source: Credit Guarantee Fund Trust for Micro & Small Enterprises].

AGENDA 13.0: IMPLEMENTATION OF ANNUAL CREDIT PLAN (2016-17)

The progress in disbursement under Annual Credit Plan for the quarter ended Sep. 2016 Sector-wise & Agency-wise is furnished in the **Annexure VIII A** (Page No.46-47). The Bank-wise progress under Crop Loan/ KCC is furnished in the Annexure-VIII B (Page No.48).

Comparative analysis of disbursement y-o-y Sep. 2015 and Sep. 2016.

(₹ In Cr)

Sector	2015-16			2016-17		
	Target	Achievement	% Ach.	Target	Achievement	% Ach.
Crop Loan/ KCC	41600	14891	35.80	48908	18316	37.45
Agri Term Loan	21020	19334	91.98	23984	20543	85.65
Total Agri Loans	62620	34225	54.66	72892	38859	53.31
MSME	18105	15250	84.23	30314	20243	66.78
Export Credit	--	--	--	597	1445	242.04
Education	2989	671	22.45	2915	680	23.33
Housing	14459	2209	15.28	15191	1891	12.45
Social Infra.	--	--	--	464	17	3.66
Renewal Energy	--	--	--	675	60	8.89
Others	14287	2669	18.68	12140	1392	11.47
Total PSA	112450	55024	48.93	135188	64587	47.78

AGENDA 14.0 : CENTRAL AND STATE SPONSORED SCHEMES

PERFORMANCE UNDER GOVT. SPONSORED SCHEMES FOR 2016-17

SI No.	Name of the Schemes	Target	Achievement	% of Ach.	Target/ Ach. Annexure (Page No.)
1	RAJIV GANDHI LOANS SCHOLARSHIP	3000	149	4.97	IX-A (49)
2	CMEGP – DIC & KVIB	2500	107	4.28	IX-B (50-54)
3	PMEGP	Not received			
a	KVIC				
b	KVIB				
c	DIC				
	TOTAL				
4	NATIONAL RURAL LIVELIHOOD MISSION (NRLM)				
a	SHG Bank Linkage Groups	230000	80392	34.95	IX-C (55-56)
5	RAJIV GANDHI CHAITANYA YOJANA (RGCY)	150000	29619	19.75	IX-D (57)
6	NATIONAL URBAN LIVELIHOOD MISSION(NULM)				
A	Self-Employment				
	a) Individual	4765	1146	24.05	IX-E (58)
	b) Groups	200	62	31.00	IX-F (59)
B	SHG Bank Credit Linkage	1250	671	53.68	IX-G (60)
7	STATE URBAN LIVELIHOOD MISSION (SULM)	Not received			
	Self-Employment				
	a) Individual				
	b) Groups				
	TOTAL				
8	DR. B.R AMBEDKAR DEV. CORPN				
a	Self Employment Programme (SEP)	5153	2207	42.83	IX-H (61)
b	ISB	1349	654	48.49	IX-I (62)
c	Dairy Scheme	1304	499	38.27	IX-J (63)
	TOTAL	7806	3360	43.04	
9	KARNATAKA M.V. ST DEV. CORPN.				
a	Self Employment Programme (SEP)	3428	2041	59.54	IX-K (64-65)
b	ISB	1234	376	30.47	IX-L (66-67)
c	Dairy Scheme	500	1296	259.20	IX-M (68-69)
	TOTAL	5162	3713	71.93	
10	KARNATAKA MINORITY DEV. CORPN. (KMDC)				
a	Swalambana Margin Money	5333	194	3.64	IX-N (70)
11	WOMEN & CHILD WELFARE DEPT				
a	Udyogini	17671	Not received		
12	PASHU BHAGYA				
a	Dairy Development	9649	Dept has informed that the selection of beneficiaries is under way		
b	Sheep & Goat Development	1302			
c	Piggery Development	186			
d	Poultry Development	984			
	Total	12121			
13	D. DEVARAJ URS BC DEV. CORPN.				
a	Chaitanaya Subsidy Scheme	4255	1559	36.64	IX-O (71-74)
14	Weavers Credit Card	8000	907 (Under MUDRA)	11.34	--

NATIONAL RURAL LIVELIHOOD MISSION (NRLM):

Positioning of Bank Sakhis at Rural Branches

SLBC Sub-committee on SHG-Bank Linkage held on 4.7.2016 has approved the scheme of positioning Bank Sakhi at rural branches where a minimum of 50 active SHGs are active. For the first 10 months honorarium will be paid from KSRLPS through the Gram Panchayat Level Federations. It is stated initially the scheme will be grounded in 5 SHG intensive Districts, i.e., Gadag, Koppal, Mysuru, Tumakuru and Uttara Kannada Districts and after getting some experience the model will be replicated in other districts, based on merits.

In this regard, SLBC has advised the LDMs of the above mentioned districts vide letter No.769 dated 2.12.2016 to submit the list of Bank-wise rural Branches having more than 50 active SHGs. The modalities of the proposed scheme to be discussed by KSRLPS.

SCHEMES OF Dr. B. R. AMBEDKAR DEVELOPMENT CORPORATION LTD

Additional targets under Special Area Quota

The Corporation vide letter No.2016-17/14939 dated 12.12.2016 has allocated the following additional targets under specific area quota for 2016-17 in respect of their schemes to the following Districts.

Sl. No.	Name of the District	No. of Beneficiaries
1.	Davanagere	76
2.	Chitradurga	69
3.	Bengaluru Urban	62
	Total	207

SLBC has communicated the additional targets to the LDMs for its implementation vide letter No.811 dated 21.12.2016.

The House to approve the same.

AGENDA 15.0 :SPECIAL FOCUS PROGRAMMES

15.1 CREDIT FLOW TO MINORITY COMMUNITIES

The Banks have disbursed loans to **2,76,312** beneficiaries amounting to **₹ 4339.35 cr** up to the quarter ended Sep. 2016. The outstanding level of advances to Minority Communities as at the end of Sep. 2016 was **₹ 26086.98 cr** spread over **11,90,396 accounts**, constituting **10.45%** of PSA. The Bank wise details are furnished in **Annexure – X** (Page No.75-76).

FLOW OF CREDIT TO MINORITY COMMUNITIES IN IDENTIFIED DISTRICTS

The outstanding level of credit to minority communities in the identified districts as at September 2016 is as follows –

(₹ in cr]

Name of the District	Bidar	Kalburgi	Dakshina Kannada
Name of Lead Bank	SBI	SBI	SyndicateBank
Priority Sector Advances	3897	4059	12277
Lending to Minority Community	539	887	3336
% of Minority Community Lending to PSA	16	22	27
Stipulated % of Minority Community Lending to PSA	15	15	15

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

15.2 : CREDIT FLOW TO WOMEN

Banks have disbursed ₹ 15564.44 cr. to 9,07,300 Women Beneficiaries up to Sep. 2016. The outstanding level of Advances to Women Beneficiaries was ₹ 59310.09 cr as of Sep. 2016 constituting 10.85% of total of advances vis-a-vis stipulated target of 5%.

The Bank wise details are furnished in **Annexure – XI** (Page No.77-78).

15.3 : KISAN CREDIT CARD

The Banks have issued **20,17,969 KCCs** up to Sep. 2016 with credit limit of ₹ 18316.03 cr. Agency-wise number of Cards issued is as under:

(₹ in crores)

Agency	Target for 2016-17 (amount)	During the Year		Outstanding Balance	
		No. of cards Issued	Limit sanctioned	No. of cards	Amount
Comm.Banks	28845	514913	8564.83	1876092	28934.76
RRBs	8716	481113	4237.04	780623	8236.24
Cooperatives	11347	1021943	5514.16	2295772	10402.28
Total	48908	2017969	18316.03	4952487	47573.28

Bank wise position is furnished in (Agenda No.13) Annexure VIII-B (Page No.48).

AGENDA 15.4 SELF HELP GROUPS/ JOINT LIABILITY GROUPS

Progress under SHG Bank Linkage as at September 2016 –

Outstanding position of advances to SHGs as at September 2016:

Agency	No. a/cs	Amount (₹ cr)
Commercial Banks	453927	6447.98
RRBs	111520	1459.77
Cooperatives	69122	796.90
Total	634569	8704.65

As against the targets for credit linkage of 2,30,000 of SHGs for the year 2016-17, Banks have credit linked 1,59,905 SHGs up to the quarter ending September 2016.

(₹ cr)

Agency	Direct Credit Linkage		Indirect Credit Linkage	
	No. of SHGs	Amount	No. of SHGs	Amount
Commercial Banks	128589	1486.46	7061	55.07
RRBs	14614	308.73	--	--
Cooperatives	16702	348.77	--	--
Total	159905	2143.96	7061	55.07

Consolidated progress by Banks under SHG Bank linkage program as at September 2016 is given in **Annexure – XII** (Page No.79-82).

A target for credit linkage of 60,000 JLGs has been fixed for the State for 2016-17. As per the information gathered, the Banks have credit linked 80,547 JLGs with a credit limit of ₹ 528.24 cr up to September 2016.

AGENDA 15.5 : LENDING THROUGH MFIs:

Association of Karnataka Micro-Finance Institutions (AKMI) is overseeing the working of various (25) MFIs. The loan outstanding given by various MFIs in Karnataka as on Sep. 2016 was ₹ 13269.37 cr covering 79,26,374 borrowers. Out of which, overdue is only ₹ 99.47 cr spread over 25,130 a/cs. The MFI Wise / District-wise outstanding and Overdues as on September 2016 is enclosed as **Annexure – XIII** (Page No.83-84).

Issues raised by RBI: Recovery of loans in MFI:

RBI Bengaluru vide their mail dated 27.12.2016 have informed that, Post demonetization, there have been several disturbances in certain parts of the country caused by false rumours on loan waivers instigated by vested interests. These vested elements and pressure groups are preventing other clients from repaying loans by using coercive methods. Some agents have sprung up assisting, mainly MFI borrowers to get their loans waived off on payment of commission. Other self-styled organisations are demanding investigations into MFIs and Finance companies and are encouraging non repayment. This is causing a crisis in the credit culture as collections and disbursements have entirely stopped or dropped drastically in these places. Ultimately the actions of a few, will affect the majority of clients who wish to continue their repayment and good relationship with MFIs.

Any financial institution can lend more towards productive purposes only if the funds already lent are repaid in time. All the members of SLBC, viz., banks, financial institutions, NABARD, Heads of Government Departments, representatives of various organisations from different sectors of economy, etc., are requested to help spread the awareness in their respective areas that loan waivers are not official or legal, and MFIs are registered bodies and the loans obtained from them should be repaid on time.

The house may deliberate on the subject.

AGENDA 15.6 : STREE SHAKTI PROGRAMME

The Women & Child Development, GoK has communicated the targets for linkage of Stree Shakti Groups for the year 2016-17 is as under:

The progress under Stree Shakti Programme as furnished by the Women & Child Development Department, Govt. of Karnataka for September 2016 is as under:

No. of Stree Shakti Groups formed	140000
No. of groups maintaining accounts with banks	140000
Cumulative amount saved by the Group Members	₹ 1882.82 cr
No. of groups credit linked	130677
Loan disbursal by banks	₹ 2800.00 cr

The District-wise performance is furnished in **Annexure – XIV** (Page No.85-86).

AGENDA 16.0: IMPLEMENTATION OF SPECIAL SCHEMES

A] Agri-Clinics / Agri-Business

As per the information received from Banks, the outstanding under Agri-clinics/Agri-Business as of Sep. 2016 was for **2625 Clinics [₹ 490.33 cr]** & **255 Agri-Business units (₹ 12.72 cr)**. During the FY 2016-17 Banks have financed **18 Agri-Business Centres (₹ 1.09 cr)** and **80 Agri Clinics (₹ 4.81 cr)**.

B] Rural Godowns

The Banks have financed **431 Rural Godowns** with credit limit of **₹ 251.00 cr** up to September 2016. The outstanding amount was **₹ 1137.08 cr** comprising **3722** accounts.

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

As on 8.11.2016 for the year 2016-17, NHB has released subsidy in respect of **79** proposals under the scheme amounting to ₹ **1939.84** lakhs.

AGENDA 17.0 : RECOVERY

17.1 : RECOVERY OF BANK DUES UNDER PMEGP

The summary of scheme-wise NPA position as at September 2016, is furnished here under:

(Amount in ₹ cr)

Agency	Balance O/S	NPA Level	% of NPA
KVIC	253.52	18.68	7.37
KVIB	65.82	6.71	10.19
DIC	139.76	28.08	20.09
Total	459.10	53.47	11.65

Nodal agencies [DIC, RDPRD/Zilla Panchayat, KVIC/ KVIB & ULB (municipalities)] are requested to extend assistance to banks for recovery of overdues in co-ordination with Banks. Bank-wise NPA level is furnished in Annexure XIV-A (Page No.87-88).

17.2 : NON-PERFORMING ASSETS POSITION :

There were **849742** NPA a/cs involving an amount of ₹ **21777.77 cr** as of September 2016, accounting for **3.98%** of total advances. The Farm sector accounts for **378638** a/cs, with a balance of ₹ **5562.80 cr** constituting **4.93%** of advances to agriculture. NPA under MSE and OPSA works out to **6.24%** and **0.21%**, respectively.

Bank wise details are furnished under **Annexure – XV** (Page No.89).

17.3 : RECOVERY UNDER SARFAESI / DRT / LOKADALAT

Under **SARFAESI Act**, Banks have recovered ₹ **191.15** cr against amount involved ₹ **1071.67** cr, under **DRT** recovered ₹ **55.19** cr against amount involved ₹ **1014.60** cr and through Lok Adalat recovered ₹ **18.94** cr against amount involved ₹ **163.63** cr up to September 2016.

17.4: RECOVERY UNDER KPMR & KACOMP ACTS

As of September 2016, **24756** cases filed by Banks under RR Act were pending before Revenue Authorities involving an amount of ₹ **331.81** cr. The Banks have filed **1005** applications during September 2016 quarter involving loan amount of ₹ **10.48** cr. There are **3718** cases pending for more than 3 years for recovery under RR Acts.

Bank wise details are furnished under **Annexure – XVI** (Page No.90-91).

AGENDA 18.0 : LEAD BANK SCHEME – STRENGTHENING & MONITORING INFORMATION SYSTEM (LBS-MIS)

RBI vide their Cir. FIDD.CO.LBS.No.5973/02.01.001/2015-16 dated 20.5.2016 has modified the statement for ACP target as LBS-MIS-I, statement for disbursement and outstanding-LBS-MIS-II, III. These statements are to be submitted on quarterly basis.

SLBC had advised all Banks to submit the above statements as per the periodicity of submission. The consolidated statements of LBS-MIS-I, II & III for the State as a whole, as on September 2016 are furnished in **Annexures XVII (LBS-MIS-I, II & III)** (Page No.92-94).

AGENDA 19.0 : Carrying out Public Awareness Campaign to address unauthorised collection of funds by fraudulent entities – Display of Advt in BMTC / KSRTC Buses

During the 135th SLBC meeting held on 19.9.2016, it was decided to entrust the job of display of advertisement material on KSRTC Buses to agencies, viz., M/s. Shiva Ads (India) Pvt. Ltd., to cover Bengaluru District and M/s. Sai Advertisers to cover Mysuru, Kalaburgi & Belagavi Districts.

Now, it is observed that M/s. Shiva Ads (India) Pvt. Ltd. are not authorized agencies for KSRTC Buses. Hence, it is proposed to entrust the same job to M/s. Prithvi Outdoor Publicity LLP, who are the approved agencies from the Directorate of Advertising & Visual Publicity (DAVP), Govt of India, with the similar rates, terms and conditions to cover Bengaluru District.

The House to permit to issue work order to M/s. Prithvi Outdoor Publicity LLP and make payment to them.

AGENDA 20.0 : NABARD AGENDA NOTES:

(i) Doubling of Farmers' Income by 2022

Doubling of Farmers' Income by 2022 is the primary focus of governments, developmental bankers and other stakeholders. To give necessary impetus to the goal of doubling of farmers' income from the view point of rural and agricultural development and better capital formation in agriculture, banks should revisit documentation for crop loans, their simplification and timely, adequate disbursement of agri-credit.

(ii) Increasing share of investment credit in total agricultural credit by cooperative banks and RRBs

NABARD had, vide its letter dated 07.11.2016 (Copy Enclosed) , addressed to StCBs and RRBs, expressed concern over low share of investment credit in the total agricultural credit disbursed by cooperatives and RRBs and suggested certain measures to bring about improvement in disbursement of agri-term loan availing concessional rate of refinance from Long Term Rural Credit Fund (LTRCF) of NABARD for the said purpose.

Both Cooperative Banks and RRBs were advised to keep NABARD, KRO, Bengaluru, informed of the steps taken in this regard to increase quantum of credit for AGTL.

(iii) Submission of of Accurate Data by banks on Ground Level Credit (GLC)

Certain discrepancies were pointed out to SLBC on GLC data submitted for the financial year 2015-16 by certain banks in the previous SLBC meeting based on which SLBC had also written to banks concerned for submission of revised correct data with feedback statement. SLBC may indicate the current status.

(iv) Promotion of Bee-Keeping

(a) Department of Agriculture and Cooperation and Farmers' Welfare (DAC&FW), GoI have, vide their letter 12.09.2016 (copy enclosed) advised NABARD to promote the Scheme, 'POLLINATION SUPPORT THROUGH BEEKEEPING' incorporated in Mission for Integrated Development of Horticulture (MIDH) with National Bee Board (NBB) as nodal agency with financial assistance through banks.

(b) Promotional activities for financial support include capacity building programmes of farmers, distribution of bee colonies, bee hives and equipment to trained farmers, development of bee breeders, development of Integrated Beekeeping Development Centres (IBDC) with extension of subsidy upto 40% of cost of investment of 50 bee colonies, which is approximately ₹ 2 - 2.5 lakh for all categories of farmers. Government of India (Department of Agriculture and Cooperation) has observed that banks are not extending loans for the purpose.

Bankers and State Horticulture Department/Mission Directorate of MIDH which is the nodal agency for implementation of MIDH in the state may deliberate all issues involved in promoting bee keeping in the State and strategy for improving credit linkage with the Scheme for bee-keeping.

(v) Government Sponsored Schemes

I. ISAM - Construction of Rural Godown / AMIGS - Discontinuation of the Scheme

(a) The captioned scheme has been withdrawn by DMI, GOI wef 31 October 2016 for all categories of promoters. DMI, GOI clarified that advance subsidy claim for projects for which term loan was sanctioned by the financing banks under erstwhile GBY and AMIGS till 31.03.2014 and under AMI sub scheme of ISAM up to 05 August 2014 for general category were required to be submitted by 31.12.2015. Accordingly, cases received up to 31.12.2015 by NABARD were already processed and in most of the cases advance subsidies were released. The proposals of SC/ST beneficiaries for the year 2015-16 & 2016-17 (up to 31.10.2016) were also processed. Bankers are requested to submit final subsidy claims with required documents in those cases where Joint Monitoring Inspection was completed and submit completion certificates immediately to enable NABARD to undertake joint monitoring inspection. All the cases are likely to be disposed before 31 March 2017 by NABARD.

(b) Bankers are also requested to submit utilization certificates in respect of those cases where 60 days are over from the date of release of final subsidy.

(VI) FINANCIAL INCLUSION

I. Bank Sakhi Scheme

In order to facilitate SHG leaders to act as Banking Correspondents, 'Bank Sakhi Scheme', piloted in states like UP and MP is being upscaled throughout the country. NABARD have, vide letter No. NB KRO DFIBT FI-68 3899 2016-17 dated 23.11.2016 addressed to SLBC allocated district wise targets to the banks for achieving the state target of 300 Bank Sakhis. SLBC was also requested to include this as a regular agenda item in the meetings. Banks may report the progress and submit proposals for grant assistance, if need be.

II. DIGITAL ECONOMY

(i) NABARD have issued circular No. 283/DFIBT-39/2016 dt 06.12.2016 addressed to RRBs/SCBs (with copy to SLBC sent on 09.12.2016) on providing grant assistance for installation of PoS devices in tier V and VI villages @ ₹ 6,000 per device. SLBC may decide on the villages in which these PoS could be installed depending upon the present availability of these devices in the villages. Banks may be advised to submit the proposals at the earliest for grant assistance.

(ii) Following the demonetization exercise, a felt need has arisen to propagate financial literacy campaign based on digital technology amongst the rural populace which is termed as 'dFLAP (digital Financial Literacy Awareness Prog.) in order to promote and put in practice the cashless transaction at the doorstep of the rural population. NABARD extends assistance to conduct such dFLAPs in rural areas. (Cir No. 287/DFIBT-40/2016 dt 14.12.2016 detailing guidelines on conducting dFLAPS was forwarded to SLBC on 21.12.2016) CD in English as guiding literature on the usage of ATM/Micro ATM/Rupay Cards for the benefit of general public is being sent to SLBC separately. English version may be translated into local language.

(iii) To provide impetus to Aadhaar based biometric transactions through the PoS terminals, NABARD have decided to extend support for a Pilot project to incentivise Aadhaar Based Transaction through Financial Inclusion Fund (FIF). The proposal envisages an incentive of 0.5% of the transaction value subject to a cap of ₹10/- per transaction, to be passed on to the merchant by the merchant acquiring bank for Aadhaar based transactions up to ₹ 2,000/-

- a. Eligibility: All merchant acquiring banks allowing Aadhaar based biometric transactions at PoS terminals are eligible for support under the scheme
- b. Extent of Support: 0.50% subject to a cap of ₹ 10/- per transaction for passing on to merchants for Aadhaar card ceded transactions at merchant locations. Transactions of up to ₹ 2,000/- will be covered under the scheme. Reimbursement will be on a monthly basis.
- c. Duration of Support: The support will be available to Banks from **01 January 2017 till 31 March 2017**.

Circular No 292/DFIBT-43/2016 dt 19 December 2016 was forwarded to the banks and SLBC is advised to follow up with the banks by email dated 22.12.2016 for forwarding the application at the earliest to NABARD to expedite the implementation process with support from FIF.

(iv) Sanction of V-Sat to cover locations with no/intermittent connectivity by NABARD:

SI No	Banks	CAP EX SSA	OPE X SSA	Total SSA	Amt sanctioned (in lakhs)	Remarks
1	IoB, B'luru RO	8	0	8	32.00	Banks to submit progress under this project in the format enclosed to the sanction letter.
2	IoB, M'luru RO	4	0	4	16.00	
3	Canara Bank	0	5	5	15.00	
4	Kaveri GB	0	3	3	12.00	
5	KVGB	79	0	79	316.00	
6	Syndicate Bank	20	0	20	100.00	
	Total	111	8	119	491.00	

Engagement of SHG Leaders / Members as BC Agents – Replication of Bank Sakhi Model – NABARD Cir. No.11/DFIBT-01/2016 dated 14.1.2016

NABARD has observed that due to some constraints, there is attrition of BCs. In order to foster the financial inclusion activity NABARD has decided to rope in SHGs as BCs (Bank Sakhi) in addition to the existing corporate BC model and accordingly formulated the Bank Sakhi scheme. In order to give a boost, NABARD has indicated that some activities will be eligible for financial support from the Financial Inclusion Fund. NABARD has kept a target of 300 Sakhis for the year 2016-17 for the State and District-wise allocation of target is furnished in the Annexure-XVIII (Page No.95).

The issue to be discussed for implementation.

AGENDA 21.0 : ANY OTHER MATTERS WITH THE PERMISSION OF CHAIR

LENDING TO DECENTRALISED RENEWABLE ENERGY

There is huge demand for Institutional credit to establish renewable energy production units in the State and there is need for clear cut guidelines for all the stakeholders. The issue is to be discussed threadbare to work out appropriate strategies to deal with the related issues. Syndicate Bank has requested for including the above issue for discussion.

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