

# STATE LEVEL BANKERS' COMMITTEE KARNATAKA

## PROCEEDINGS OF THE 158<sup>th</sup> SLBC MEETING HELD ON 15.09.2022

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

(Through VC)

CONVENOR



HEAD OFFICE: ANNEXE, BENGALURU

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

**MINUTES OF THE 158<sup>th</sup> SLBC MEETING and BANKING STATISTICS AS ON 30<sup>th</sup> JUNE  
2022 HELD ON 15.09.2022**

The 158<sup>th</sup> SLBC meeting of the state of Karnataka was held on 15.09.2022 at 3.00 PM at Conference Hall, #313, Vidhana Soudha, Bengaluru under the Chairmanship of Smt.Vandita Sharma, Chief Secretary, GoK and attended by Sri. I S N Prasad, ACS & DC, GoK, Sri. A Muralikrishna, Convenor-SLBC Karnataka, Sri T Ramesh, Chief General Manager NABARD. Sri. Brij Mohan Sharma, Executive Director, Canara Bank, Ms. Sunanda Batra, General Manager RBI attended through video conference besides Principal Secretaries, Secretaries, Commissioners & Directors from Govt. departments / corporations and senior executives from RBI, NABARD, SLBC and different banks.

**Sri. A. Muralikrishna, Convenor** welcomed Smt. Vandita Sharma, Chief Secretary, GoK, Sri. I S N Prasad, ACS & DC, GoK, Ms.Sunanda Batra, GM, RBI, Shri T Ramesh, CGM, NABARD, Sri. Brij Mohan Sharma, Executive Director, Canara Bank and all the dignitaries, members, participants & invitees.

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

He informed that Government of India has initiated a number of schemes such as PM Formalization of Micro Food Processing Enterprises (PMFME), Agricultural Infrastructural Fund scheme and Animal Husbandry Infrastructure Fund scheme, KCC Animal Husbandry and Fisheries etc. He urged upon the bankers to achieve the target allotted under AIF, PMSVanidhi, KCC AH & Fisheries, Affordable housing loans under PMAY etc., which will contribute in a big way in enhancing farmers' income and meeting the needs of the most vulnerable sections of the society.

He informed the house that Karnataka state ranks 2<sup>nd</sup> under PMFME and 5<sup>th</sup> under MUDRA sanctions & disbursements and 6<sup>th</sup> position in case of PMSVANidhi scheme. He requested for a better performance in implementing 2<sup>nd</sup> and 3<sup>rd</sup> tranche of PMSVANidhi in the state. Further he informed that banks are lagging behind in implementation of PMAY/AHL which has to be taken in right spirit and target to be achieved during this FY as it is meant for downtrodden of the society.

He requested member banks to expedite processing and sanctioning of applications received by branches under "Affordable Housing in Partnership" a vertical of Pradhan Mantri Awas Yojana (Urban) in convergence with GoK housing schemes as per SOP and modified Guidelines issued by GoK for eligible house-less poor.

Performance of Banks in Aspirational Districts namely Raichur & Yadgir identified by DFS under **Targeted Financial Inclusion Intervention Programme (TFIIP)** of NITI Aayog needs more focus at enrolling customers under PMJJBY & PMSBY schemes in order to achieve the overall Key Performance Indicators of **DFS**.

He requested all the bankers to achieve the target at an early date. He also stated that banks should not restrict only to these two districts, let Karnataka be number one in implementation of social security schemes and save the lives.

Haveri and Yadgir are two identified districts for expanding and deepening of digital payments Ecosystems of RBI. He requested all the stake holders & bankers operating in these two districts to make district **100%** digitally enabled under Savings accounts and Current accounts at the earliest.

All member banks and LDMs were requested to take suitable action to ensure that the targets fixed for enrolment of identified eligible PMJDY account holders under the Jan Suraksha Schemes (JSS) viz. Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) for life cover, Pradhan Mantri Suraksha Bima Yojana (PMSBY) for personal accident cover and Atal Pension Yojana (APY) for pension and PMMY beneficiaries are achieved well within the revised timelines.

India is celebrating 75 years of independence “Azadi ka Amrit Mahotsav (AKAM)” which commenced on 12th March 2021 and will continue till 15th August 2023. The whole program has been categorized under iconic, non-iconic (anchor and non-anchor) and media campaign / activity. He requested member banks to keep the momentum of overall growth in business with special emphasis on priority sector advances.

During the Hon’ble Prime Ministers’ visit to Mangalore all bankers have worked even on holidays to mobilize KCC Fisheries loan applications. All Bankers have responded to the state Govt. call and worked sincerely. He thanked all the Bankers for their splendid support.

He once again congratulated Bankers and Govt. Departments for their untiring efforts during testing times and requested to take it forward and show glittering performance in ensuing quarters.

Once again, he extended a warm welcome to all the members and invitees, and requested for active participation in deliberations and make the meeting successful and purposeful one.

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

#### **AGENDA 1.0: CONFIRMATION OF THE MINUTES OF 157<sup>th</sup> SLBC MEETING HELD 30.05.2022.**

The Minutes of 157<sup>th</sup> SLBC meeting held on 30.05.2022 has been circulated to all the member banks and Govt. departments. The minutes of the same may be approved.

The same was approved subject to the modifications recorded in the agenda

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

The action taken by the SLBC on various action points evolved during 157<sup>th</sup> SLBC Meeting were taken note of by the House.

#### **AGENDA 3: AWARDS AND ACCOLADES TO SLBC – KARNATAKA & GOVT. OF KARNATAKA:**

Convenor informed that, Karnataka State Agricultural Produce Processing & Export Corporation Limited (KAPPEC) rewarded SLBC Karnataka for their outstanding achievement in PMFME (Pradhan Mantri Formalization of Micro Food Processing Enterprises) scheme. Karnataka state has secured 2<sup>nd</sup> place under PMFME loan sanctioned PAN India.

Under Agri Infra Fund [AIF], Ministry of Agriculture and Farmer’s Welfare, GoI has recognized the priceless contribution of the Banks and State Government and rewarded Chief Secretary, GoK and

Special Secretary, Food Processing and Harvest technology, GoK. Karnataka state secured 3<sup>rd</sup> position under disbursement of loan under AIF. The same was taken note by the house.

#### **AGENDA 4: REVIEW OF CREDIT DISBURSEMENT BY BANKS:**

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

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

- The banks have disbursed Rs.16565 Crore under Short Term agriculture loans registering 20.23% achievement to the Annual target as on 30.06.2022.
- The banks have disbursed Rs.16719 Crore as on June 2022 under Agricultural Term loans registering 28.35 % achievement to the Annual target.
- Total agriculture registering 23.63% achievement to the annual target as on 30.06.2022.
- The banks have disbursed Rs.36726 Crore under MSME registering 28.34% achievement to the Annual target as on 30.06.2022.
- The banks have disbursed Rs.1615 Crore under priority Housing registering only 4.92 % achievement to the Annual target as on 30.06.2022.
- Convenor requested member banks to improve lending under priority sector credit with focus on KCC, KCC Dairy, MSME, priority housing, education loans and other priority sector for the FY 2022-23.

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

**(Action: All member banks)**

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

Convenor SLBC informed the house, the progress achieved in bank linkages under AHP vertical of PMAY(U). The chief secretary, GOK reviewed the performance of major banks and informed the house that performance of major banks are not satisfactory and instructed all member banks to sanction more number of loans under AHP vertical of PMAY(U), The Additional chief Secretary and Development commissioner instructed concerned department / ULBs coordinate with banks/LDMs and send more number of applications to banks for sanction. Banks to gear up for the speedy disposal off the pending applications.

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

#### **AGENDA 6: SWAMI VIVEKANANDA YUVA SHAKTHI YOJANA (SYSY):**

Convenor informed that, the Chief Minister of Karnataka has announced a new scheme on 28.07.2022 namely Swami Vivekananda Yuva Shakti Yojana and aims at generation of employment opportunities for the groups of “Swami Vivekanda Yuvakara Swasahaya Sangha” formed by Department of Youth Empowerment and sports, Department & Rural Development and Panchayatraj and Skill Development through establishment of micro units and other income generating group activities in rural areas. An amount of 500 crores had been provided to ensure that the rural youth of Karnataka state take up at least one income generating activities under SHG mode. State Bank of India was Anchor Bank for the implementation of the same scheme

**(Action: All 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 June 2022:**

Convener informed the house that, The CD Ratio of the state as a whole as on 30.06.2022 was 70.88%. Uttara Kannada and Udupi districts have shown improvement over March 2022 in CD Ratio.

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

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

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

Convener informed the house that, as per Jan Dharshak app and FI Plan portal, there are no unbanked villages without any Branch or BC within a radius of 5 KM as on that date.

**AGENDA 9: FINANCIAL INCLUSION INITIATIVES:**

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

Convener informed that, there were 1151 inactive BCs as on 30.06.2022 and of which majority of inactive BCs were from State Bank of India (469), Canara Bank (226), IDFC First Bank (206), HDFC Bank (83), Bank of Baroda(79) and Bank of India (49).

Convener requested respective Banks to activate all inactive BCs and appoint new BCs where BCs have resigned / not certified by IIBF within the timeline fixed by IBA and initiate measures for making these centers functional.

The Chief Secretary GoK advised State Bank of India, Canara Bank, IDFC First Bank, HDFC Bank, Bank of Baroda, Bank of India and other banks to activate the inactive BCs.

**(Action: All member Banks)**

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

As at 30.06.2022 there were 46 nonfunctional FLCs. Convener requested SBI, UBI, Canara Bank, BOB, BOI and KGB to appoint FL counsellors (25,14, 3, 2,1 & 1 FL Counsellors respectively) immediately and make these FLCs functional. SLBC requested all the sponsor Banks to oversee the functioning of FLCs and to also arrange for prompt and accurate reporting.

**(Action: SBI, UBI, Canara Bank, BOB, BOI and KGB)**

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

The progress of KPIs by Banks at aspirational districts, reported by respective LDMs as on 30.06.2022 was reviewed by the house. In respect of bank accounts opening and APY enrollments for Raichur District set targets are achieved. However, in case of PMSBY enrollments banks are lagging behind. In case of Yadgir district, Bank account opening, enrollment under PMJJBY and APY banks have achieved the set targets. In respect of PMSBY the target is yet to be achieved.

The Chief Secretary advised the bankers to achieve the targets at an early date.

[Action: all banks in Raichur and Yadgir districts, and LDMs of Raichur and Yadgir districts]

## **AGENDA 10: KCC**

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

SLBC-Convenor informed the house that the achievement in the total KCC outstanding as on June 2022 is Rs. 54445.51 crores. Convenor-SLBC requested all the member Banks to sanction KCC loans to all the eligible farmers for agriculture and allied activities and to move in the direction to achieve the set targets for the FY 2022-23.

**(Actions: All Member Banks)**

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

Convenor SLBC informed the house that, in order to ensure maximum coverage of farmers engaged in Animal Husbandry and Fisheries under KCC, DFS: GOI had launched a special saturation drive in the form of weekly “District Camps” for a period of 3 months w.e.f. 8<sup>th</sup> November 2021. DFS suspended the campaign from 14.01.2022 to 31.01.2022 in view of the increase in Covid cases. Subsequently the campaign has resumed on 18.04.2022 and it will continue up to 15.03.2023.

Convenor SLBC informed the house that Banks have sanctioned 25567 KCC –AH loans against the accepted applications of 57562 during special saturation drive for KCC AH &F from 01.04.2022 to 30.06.2022. Major reason for rejection of mobilized loan applications was “applicants were from existing defaulters”.

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

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

### **10.3 Issuance of KCC-Fisheries:**

SLBC Convenor informed the house that banks had sanctioned 2561 KCC fishery loans amounting to Rs.42.75 Cr from period 01.04.2022 to 30.06.2022.

Fisheries Department, GoK informed that RBI has relaxed licensing norms for fishermen.

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

**(Actions: All Member Banks)**

### **10.4. Animal Husbandry Infrastructure Development Fund and FPOs:**

Animal Husbandry Infrastructure Development Fund and the Central Sector Scheme [CSS] for formation and Promotion of 10000 FPOs. Both are having Credit Guarantee component to encourage banks to lend for these two activities. Credit guarantee relations are being managed by NABSanrakshan Trustee Pvt Ltd, a wholly owned subsidiary of NABARD. Convenor requests NABARD to allocate targets to the banks for the year 2022-23.

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

**(Actions: NABARD, all Member Banks)**

**AGENDA11: RBI AGENDA (INPUTS FROM RESERVE BANK OF INDIA)**

**11.1 Financial Inclusion & Financial Literacy**

**a. Appointment of Financial Literacy Counsellors (FLCs)**

**(a)Special Camps:**

RBI informed that there was a wide district-wise variation in the number of Special Camps (3 to 155) conducted in a quarter and number of participants per camp (37 to 152) , average number of special camps conducted by FLCs sponsored by Karnataka Bank in Quarter ended June 2022 (4.6) is less than the minimum required number of 6 per quarter (2 per month) and FLCs have focused on three districts of the state- Chikkamagaluru (93), Uttara Kannada (119) and Mandya (155), constituting 28% of total number of special camps. RBI also advised all banks in the state may avoid concentration of camps in a few districts.

**(Action: SLBC, all LDMs, all banks)**

**(b)Target-Specific Camps**

RBI also informed that there is a wide variation in district-wise conduct of target-specific camps (30 to 286) in a quarter and number of participants per camp (21 to 175). Bagalkote (203), Hassan (217), Mandya (231), Haveri (231), Ballari (246), Uttara Kannada (275), Belagavi (286) have conducted more than 37% of total target-specific camps in the state. RBI suggested that banks in the state may avoid concentration of camps in a few districts.

RBI advised that controlling offices of banks in the state to ensure that minimum number of special camps (2 per month per FLC) and target-specific camps (5 per month per FLC) are conducted by their sponsored FLCs without fail.

**(Action: SLBC, all LDMs, all banks)**

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

As per data available with RBI, there are 84000 BCs in the state and more than 38% Banks in the state. Major banks where more than 90% of BCs are inactive are ICICI and YES Bank. Banks are advised to ensure that inactive BC locations are operationalized immediately, under advice.

RBI informed that LDMs of Ramanagara and Chikkaballapur had reported that the following 8 BCs are not active:-

S. No	District Name	Sub District Name	Village name	Bank	Distance b/w BC point and village (kms)
1	Ramanagara	Kanakapura	Veerasandra	UCO BANK	3.5
2	Ramanagara	Kanakapura	Arekoppa	UCO BANK	2.6
3	Ramanagara	Kanakapura	Mahalli	UCO BANK	3.2
4	Ramanagara	Kanakapura	Mugguru Forest	UCO BANK	2.6
5	Ramanagara	Kanakapura	Mugguru	Bank of Baroda	3.2
6	Ramanagara	Kanakapura	Kudigalane	Bank of Baroda	3.2
7	Ramanagara	Kanakapura	Thattikere	Bank of Baroda	3.1
8	Chikkaballapura	Bagepalli	Devikunte	Karnataka Gramina Bank	2.7

RBI suggested SLBC to verify the activeness of the Business Correspondent (BC) outlets in above-mentioned locations and provide a confirmation on the subject.

**(Action: SLBC, Ramnagara LDM, Chikkaballapura LDM ,all banks)**

## 11.2. Lead Bank Scheme

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

RBI informed that both District Consultative Committee (DCC) and/or District Level Review Committee (DLRC) meetings of previous quarters of the following 4 districts have not been held till Sep 13, 2022

S. No.	District	Lead Bank	Concerned Quarter
1	Chamarajanagar	State Bank of India (SBI)	For Quarter ended March 2022
2	Koppal	State Bank of India (SBI)	For Quarter ended December 2021 (DLRC) & March 2022 (DCC & DLRC)
3	Ramanagara	Union Bank of India (UBI)	For Quarter ended December 2021 (DCC & DLRC) & March 2022 (DCC & DLRC)

Chief Secretary advised to address a letter to the district administration under her signature.

RBI further informed that in following both DCC and DLRC meetings for Quarter ended March 2022 were held beyond the prescribed timeline of 90 days from end of concerned quarter.

**(Action: LDM Chamarajanagara,LDM Koppal, LDM Ramanagara ,SBI and Union Bank of India )**

S.N o.	District	Lead Bank	Concerned Quarter
1	Bidar	State Bank of India (SBI)	For Quarter ended Dec. 2021 and March 2022
2	Davangere	State Bank of India (SBI)	For Quarter ended March 2022
3	Dharwad-Hubli	Bank of Baroda (BoB)	For Quarter ended March 2022
4	Haveri	Bank of Baroda (BoB)	For Quarter ended March 2022
5	Kalaburagi	State Bank of India (SBI)	For Quarter ended March 2022
6	Mysuru	State Bank of India (SBI)	For Quarter ended March 2022
7	Vijayanagara	State Bank of India (SBI)	For Quarter ended March 2022

Controlling Heads of banks concerned were advised to ensure conduct of the meetings within the stipulated timelines.

It was observed that only Vijayapura (for QE December 2021) and Bengaluru Urban (for QE March 2022) had conducted separate DCC and DLRC meetings. Lead Banks of all districts were also advised to conduct separate DCC & DLRC meetings for proper focus on the agenda that differs significantly. Further, banks and line departments of state government were advised to ensure representation of appropriate authority in the DCC/DLRC meetings.

**(Action: Bidar LDM, Davangere LDM, Dharwad LDM,Haveri LDM, Kalaburgi,LDM, Mysuru LDM, VIjayanagar LDM, SBI, Bank of Baroda)**

### b. Meetings of SLBC Sub-Committees

Following sub-committees were not being held as per prescribed timelines:



S.No.	Sub Committee	Convenor Bank	QE June 2022
1	MSME	Union Bank of India	Not Conducted
2	Recovery & Rehabilitation and Govt. Sponsored Schemes	State Bank of India	Not Conducted
3	Retail Loans	Bank of Baroda	Not Conducted
4	Review of functioning of RSETI & RUDSETI	State Director for RSETIs, Karnataka	Not Conducted

Concerned convenor banks were advised to ensure that the meetings of the sub-committees are held once a quarter and agenda and minutes of the meeting held are forwarded to the SLBC convenor.

**(Action: SLBC, Union Bank of India, SBI, Bank of Baroda, Director RSETI)**

#### **c. Expanding and Deepening of Digital Payment Ecosystem**

Haveri and Yadgir districts have been identified for deepening of digital payment ecosystem in the state. The progress as on June 30, 2022 is as mentioned below:-

It is observed that the digitization in current/business accounts are lagging behind that of saving accounts in both the districts. Controlling offices of concerned banks were advised to take urgent necessary action to achieve 100% digitization of savings and current accounts in both the districts, including ensuring data accuracy and consistency. RBI also suggested to achieve the 100% digitization by sept.2022.

**(Action: All banks in Haveri and Yadgir District, LDM Haveri, LDM Yadgir)**

RBI informed that RBI Governor had launched two key initiatives on March 08, 2022:-

- (1) UPI123Pay – Option to make Unified Payments Interface (UPI) payments for feature phone users
- (2) DigiSaathi - a 24x7 Helpline to address the queries of digital payment users across products.

However, as per National Payment Corporation of India (NPCI) website, only IDFC First Bank, City Union Bank & NSDL Payments bank have gone live on IVR payments for UPI123Pay. All banks across the state are advised to adopt UPI123Pay at the earliest so that digital transactions can rise in rural areas where significant population owns feature phones.

**(Action: SLBC, all LDMs, all banks)**

#### **d. Data Upload by Banks in SLBC Revamped Portal**

RBI informed that banks are required to upload the quarterly data in SLBC revamped portal within 15 days from the end of concerned quarter. However, there was delay in uploading and verifying the data from some of the banks.

To avoid such repetitive delays, SLBC and banks in the state may deliberate on SLBC platform directly extracting data from CBS of banks. Besides, all banks are advised to ensure timely upload of data in SLBC portal within 15 days from the end of reporting quarter.

To obviate the requirement for data upload by individual banks, SLBC may consider the establishment of integrated straight-through processing system wherein the requisite data may be directly spooled into SLBC portal from the Core Banking System (CBS) of banks. For this, SLBC may consider establishment of a separate sub-committee of banks to discuss the related technological/operational issues.

(Action: SLBC, all banks)

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

SLBC and NABARD are advised to consider the achievements of the previous years while finalizing the State Credit Plan and District Credit Plan respectively for forthcoming financial years, apart from other data inputs such as NABARD's Potential Linked Credit Plan and data/feedback from line departments of state government, so as to have a realistic ACP for banks.

This anomaly of excessive target for priority sector and lower target for non-priority sector may be rationalized from the forthcoming years. It is understood that process for arriving at next financial year targets has already begun. RBI requested NABARD & SLBC to involve RBI, Bengaluru in finalization of PLP and ACP for FY 2023-24.

(Action: SLBC, NABARD, RBI)

**f. Study on Decline in Priority Sector Annual Credit Plan (ACP) Achievement**

SLBC was advised to conduct an analytical study to understand the reasons for the secular de-growth across the major sectors of Agriculture & MSME and also in total priority sector for the year ended March 2022 when compared to the previous year. SLBC was advised to expedite and share the report at the earliest for vetting by a committee of officials from RBI and NABARD. Chief Secretary advised to analyze the achievement with 3 previous years' data.

(Action: SLBC, all banks)

**g. Self-Help Group (SHG) Bank Linkage Programme: -**

The State has achieved 18% of the disbursement target set for FY 2022-23. To achieve the annual target, all banks are required to achieve atleast 25% of the annual target in each quarter. A district-wise analysis indicates that Chikkaballapur achieved 95% of the target whereas Kolar achieved 5% although they are adjacent districts. Widespread inequality in achievement of targets at district-levels may be avoided by rationalization of the targets. Further banks were advised to study the reasons for high NPAs in SHG sector and initiate requisite measures. NRLM/SRLM may advise SHGs for utilizing higher portion of the loan for income generating purposes.

(Action: SLBC, all LDMs, all banks)

**11.3 Opening of Banking Outlets in Unbanked Villages: -**

**1. Opening of Banking Outlet in Hunshyal Village, Devara Hipparagi Taluk, Vijayapura district:**

RBI had received a representation from Shri. Ramesh. C. Jigajinagi, Hon'ble Member of Parliament (MP), Vijayapura Constituency requesting opening of Banking outlet in the village As advised in DCC meeting of the district held on June 23, 2022, controlling office of State Bank of India to take appropriate action at the earliest, so as to resolve the grievance of the villagers.

(Action: SLBC, SBI)

**2. Opening of Banking Outlet in Indlavadi Gram Panchayat, Anekal Taluk, Bengaluru Urban District**

RBI sought an update on opening of branch in Indlavadi Gram Panchayat, Anekal Taluk by Canara Bank. Canara Bank has informed that the same is in the process.

(Action: SLBC, Canara Bank)

**IV. Currency Management: -**

RBI has ensured that all districts were provided with adequate quantity of currency for distribution to bank branches and ATMs. RBI has been coordinating with Lead District Managers (LDMs) to

assess the requirement of notes and coins as also to ensure that bank branches provide exchange facility for soiled and mutilated notes to the public.

In the 157<sup>th</sup> meeting of SLBC held on May 30, 2022 and 28<sup>th</sup> meeting of State Level Security Committee (SLSC) meeting held on July 07, 2022 SLBC was advised to constitute a sub-committee on Security to discuss various aspects of security related to banks and CCs, storage and movement of currency. SLBC was advised to expedite action on the same.

**(Action: SLBC, SBI)**

## **V. Micro, Small and Medium Enterprises**

### **a. Onboarding of Government & Corporate Buyers on TReDS platform**

- (i) RBI had issued guidelines for setting up and operating of TReDS, an institutional mechanism for facilitating financing of trade receivables from Corporates and CPSEs. Government of Karnataka may consider on boarding of public sector undertakings, departments and corporations of the state government onto the TReDS platform and its effective utilization to enhance working capital availability for MSMEs. Finance Department, GoK may please refer to RBI letter dated July 27, 2022 on the above subject and take appropriate action.
- (ii) Government of India (GOI) has mandated all companies registered under Companies Act, 2013 with a turnover of more than ₹500 Cr to on-board on TReDS. More than 3000 out of 4714 eligible companies identified by Ministry of Corporate Affairs (MCA) are yet to be on-boarded on the portal. All banks may kindly advise their corporate borrowers to on-board on TReDs platform.

**(Action: SLBC, all banks)**

## **VI. Representation from Farmers' Unions and Associations**

RBI had received multiple representations and memorandums from various Farmers' Union regarding clarifications on Interest Subvention Scheme for crop loans and restructuring of loans due to natural calamities. Interest Subvention Scheme (ISS) for Short Term Loans for Agriculture sector (latest for FY 2021-22) has been framed by GoI and disseminated by RBI. To alleviate stress faced by farmers during COVID-19 pandemic, Liquidity support of ₹25,000 crore was extended to NABARD in April 2020. An additional special liquidity facility (ASLF) of ₹5,000 crore was extended in August 2020 to NABARD for a period of one year for refinancing NBFC-MFIs and other smaller NBFCs to support agriculture and allied activities and the rural non-farm sector. All stakeholders are advised to be guided by our circulars on Modified Interest Subvention Scheme for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial year 2021-22 dated April 28, 2022, and ensure that the grievances of farmers are resolved expeditiously as per regulatory guidelines.

**(Action: SLBC, all banks)**

## **VII. Market Intelligence Issues**

- (i) RBI, Bengaluru was in receipt of letter dated July 14, 2022 received from the Police Inspector, Kodigehalli Police Station stating that Shri Veerendra Babu, Shri Basavaraj M, Shri Govindgowda C K, Shri Venkatesh, Rajanukunte, Shri Vijay Niranjan Rao, Shri Ravi Tejas and Shri Shiva Kumar P S have jointly formed Aryan Infotech Ltd, V-Care online learning app, ANS Charitable Trust @, Karnataka Rakshana Pade, Winews-24 and operating several Youtube Channels from address- C/o Shri B V Nanjegowda, 20th Cross, 8th Main, 'C' Block, Sahakaranagar, C.Q.A.L Layout, Bengaluru.
- (ii) The accused had collected deposits from public on the pretext of offering President, Secretary, Dy. Secretary, Directors and member posts in "Karnataka Rakshana Pade" but have not appointed anyone to the above posts. Further, the accused have formed a political party named "Rashtriya Janahitha Paksha" and have collected deposits from public on the pretext of

offering M.L.A, M.P tickets from all districts and taluks in Karnataka for contesting elections. The accused have also collected deposits for offering online education to students in Government schools through their app “V-Care online learning app” but have not provided any online education to students. The accused have formed a core committee and fixed a salary of Rs. 10,000/- for their employees but have not paid salary to the employees. The accused conducted “Zoom” meetings with public and offered Gold, Tabs, Bike and Cars as rewards if they enroll as members of their club and collect money. In view of the above frauds, the Kodigehalli Police have registered a case against the accused and requested RBI, Bengaluru to provide the details of movable and immovable properties of the following persons: -

- 1) N Veerendra Babu, S/o Nanje Gowda, Age-43 yrs  
Address- 1652/6, 20<sup>th</sup> cross, 8th main, C.Q.A.L Layout, ‘C’ Block, Sahakaranagar, Kodigehalli, Bengaluru  
PAN Number – AHAPV7364H  
Aadhar Number – 2502 1466 0985  
Mobile Number – 9632527961
- 2) Vijay Niranjana Rao, S/o Late Venkataraman Rao, Age-53 yrs  
Address-584, 11<sup>th</sup> cross, 3<sup>rd</sup> main, Nagarabhavi 2<sup>nd</sup> Stage, Bengaluru – 72  
PAN Number – AEZPN5469H  
Aadhar Number – 2036 4620 2655  
Mobile Number – 9591217817
- 3) Ravi Tejas, S/o Late Muthappa, Age-41 yrs  
Address-No.405, 3<sup>rd</sup> Stage, 4<sup>th</sup> Cross, Basaveshwaranagar, Bengaluru-79  
PAN Number – AICPR9781R  
Aadhar Number – 6471 3397 1226  
Mobile Number – 9019712345

The bankers in the state are requested to provide the details of the accounts of the accused as available with them (if any), for onward transmission to the Police Inspector, Kodigehalli Police Station.

**(Action: SLBC, all banks)**

## **(b) Cybercrime Reporting and Response**

### **1. Adoption and Implementation of SOP on Cyber Frauds**

Following banks had not confirmed adoption and implementation of SOP on Cyber frauds.

Canara Bank, Punjab National Bank, Union Bank of India, Bank of India, UCO Bank, Bank of Maharashtra, Indian Bank, Indian Overseas Bank, Central Bank of India, Punjab & Sind Bank, Karnataka Gramina Bank, Axis Bank, ICICI Bank, Kotak Mahindra Bank, Catholic Syrian Bank, Lakshmi Vilas Bank, South Indian Bank, Tamilnad Merchantile Bank, IDFC First Bank, IDBI Bank, Krishna Bhima Samruddhi, IPPB, Karnataka State Financial Corporation and Equitas SFB

SLBC convenor requested the above banks to confirm compliance of the same.

2. Following banks have not shared the contact details of Nodal officer/executive/escalation levels and also not responded in the process are:

Jammu & Kashmir Bank, Bandhan Bank, ESAF SFB and Airtel Payment Bank

RBI advised the above-mentioned banks to ensure adoption and implementation of SOP on handling Cyber Frauds immediately so that proper support may be provided to the law-enforcement authorities

of the state to fight the menace of proliferating cybercrimes/frauds in the state. These banks may also report the status to SLBC.

**(Action: all banks)**

### **3. Pendency of Cybercrime Incident Reports (CIRs)**

Referring to the bank-wise list of pending CIRs, RBI advised the concerned banks where pendency of cybercrime is observed to act on the pending CIRs immediately and provide appropriate response to Law Enforcement Authorities. Further, any updation in the contact details of the nodal officers of the banks may be informed to Police Authorities at [ccps\\_cir@ksp.gov.in](mailto:ccps_cir@ksp.gov.in) under information to SLBC Karnataka.

**(Action: all banks)**

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

### **12.1: Enhancing Credit Flow to Agriculture and Allied Sector through Credit Guarantee**

NABARD informed that they have formed separate subsidiaries for FPO with an allocation of Rs.1000 crores and AHIDF with an allocation of Rs.750 crores for credit guarantee. In case of FPO, If loan is upto Rs.1 crore guarantee will be 85% of loan amount and if loan is above `1 crore 75% of the loan amount with a maximum of Rs.1.50 crore will be guarantee amount, Annual guarantee fee is 0.75% if sanctioned loan is less than 1 crore and 0.85% if sanctioned amount is more than 1 crore. As on July about 75 applications are sanctioned under AHIDF. In case of AHD credit guarantee is 25% of the sanctioned loan amount and guarantee fee is 1% of the loan amount. Bankers who sanction loans under these schemes are requested to contact NABARD. (In case of any assistance, the Banks may contact at 022-26539241/9243 or email their queries at: [ho@nabsanrakshan.org](mailto:ho@nabsanrakshan.org)). SLBC may also fix bank-wise target for financing of FPOs and monitor the same.

**(Action: all banks)**

### **12.3- Support to Government of Karnataka under RIDF**

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

#### **Impact of RIDF**

Further NABARD informed that under RIDF, GoK has undertaken rural infrastructure projects in all the districts of the State. RIDF assistance has helped in creating more than 45353 KM of road length and 58872 M of bridge length besides creation of education and social infrastructure in rural areas. Further, RIDF assistance has helped the state in bringing more than 4.69 lakh Ha of land under irrigation. The list of irrigation projects completed during FY 2021-22 is indicated in Annexure 1. With a view to optimizing the benefits accrued from the implementation of these projects banks may consider extending crop loan and other investment credit to farmers operating in the command area of these projects.

### **12.4: Exploring possibilities of cooperation at Local Self Govt Level.**

NABARD also informed that promotional grants available from it and it is soliciting collaboration with Panchayati raj/Rural Development department.

### **12.5: Reporting of KCC AH and Fisheries data of other banks under RRBS/Cooperative banks in the portal.**

NABARD commented that KCC AH & Fisheries data in respect of RRBs and other private sector commercial banks is being included under the cooperative banks and this is leading to high pendency under the DCCBs. As this is being reviewed at the highest level by DFS, GOI, LDMs may be

instructed not to report data pertaining to other banks under DCCBs. Also, district level meetings to review pendency in KCC/status of KCC implementation may be conducted regularly.

(Action: SLBC, all LDM)

**12.6: ACABC/AMI Subsidy Schemes**

Agri Clinics and Agri Business Centre (ACABC) Scheme and Agriculture Marketing Infrastructure (AMI) scheme have been extended by Government of India upto 30 September 2022. NABARFD requested banks for popularizing the schemes and encourage potential beneficiaries to avail benefit of the schemes.

(Action: all banks)

**12.7: Agriculture Infrastructure Fund**

NABARD informed that SLBC had allocated physical & financial targets to banks for the years 2021-22 and 2022-23. It requested banks to allocate branch wise targets depending on the potential. Banks and to drive awareness about the scheme - include AIF as a key Agri scheme in all local marketing campaigns, bank melas, etc. Banks can also generate AIF projects through their business correspondents.

(Action: all banks)

**12.8: Financial Inclusion Fund**

NABARD informed that Grant support is available for various schemes under Financial Inclusion Fund (FIF). The target allocated during the current year for sanction and disbursement are Rs.10.24 crore and Rs.8.52 crore respectively for the State of Karnataka. The various schemes supported under FIF for which Banks can claim grant support are as under:

- i. Conduct of Financial and Digital Literacy Campos by rural branches of Banks.
- ii. Reimbursement of Examination fee of BC/ BF
- iii. Deployment of micro ATM by SCBs in schools and colleges in Special Focus Districts and in milk societies in all districts
- iv. Deployment of PoS/mPoS terminals in Tier 3 to Tier 6 centres
- v. VSAT deployment in sub-service area (SSA) of the Bank for new branches opened and for kiosk/fixed CSP
- vi. Mobile signal booster deployment in SSA of Bank for new branches opened and for kiosk/fixed CSP
- vii. Installation of solar power unit/ UPS deployment in SSA of Bank for new branches opened and for kiosk / fixed CSP
- viii. On boarding to Positive Pay System (PPS) (Applicable for RCBs only)
- ix. Handheld Projector with Battery, Screen & Speaker per FLC/rural branch

NABARD also informed that the grant support available is 90% of the eligible expenditure incurred by the Bank for Special Focus Districts and 60% for other districts subject to scheme-wise ceiling as per our Circular No.105 dated 23.04.2019.

**AGENDA 13: As per letter no FD-CAM/16/2022 (Part-1) dated 05.07.2022 received from Additional Chief Secretary to Government, Finance Department, Vidhana Soudha, Bengaluru regarding discussion of following points in SLBC**

- a. Bank credit to GDP ratio of Karnataka.
- b. Low ratio 16:69 under NITI Ayog's SDG India Index of functioning bank branches of commercial branches per 1 lakh population.
- c. Low growth rate of 0.03% under MSME and industry sector credit over the period 2019 - 20 to 2021-22.
- d. Financing for post-harvest and marketing infrastructure in line with "One District One Product".
- e. Ensuring equitable target in aspirational Districts/taluk.

- f. Redistribution of targets to best performing bank to improve Kisan Credit Card penetration.
- g. Low percentage of (7%) credit to terms loans by RRBs and Co-operative Banks.

SLBC convenor informed that under MSME growth rate is 24.65 % and percentage of credit to term loans by RRBs and cooperative banks is 17.37%. He requested all the member banks to reach the KCC targets for better penetration.

(Action: all banks, Finance Dept. GoK)

#### **Agenda 14. Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS):**

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

There is pending claim of Rs 58.87 crore from kharif 2018 to kharif 2021 including rabi and Summer season. SLBC requests Department of Agriculture, GoK to advise ICs settle the pending claims at the earliest.

There is pending claim of Rs. 34.28 crore from kharif 2018 to kharif 2021 including rabi season. SLBC requests Department of Horticulture, GoK to advise ICs settle the pending claims to farmers at the earliest.

As the huge claim amount of Rs 5.96 Crore is pending with ICICI Bank, SLBC requested ICICI bank to accord top priority. ICICI bank informed that they are on the job of updating the aadhar numbers.

SLBC convenor also requested the member banks to display a message in prominent places that default borrowers under KCC are not automatically covered under crop insurance.

(Action: all banks)

##### **14.2 Agriculture Department Agenda:**

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

Agriculture department informed that in case of settlement of crop insurance claim payments nearly 3% of payments are getting bounced back. One of the reasons for this is “transferred amount is more than the credit limit fixed for the account”. This happens in “Jandhan” and Basic Savings Bank Deposit accounts in which there cannot be a credit of more than Rs.50000 anytime and a total of more than Rs. 1 Lakh credited in a year.

Agriculture Department, GoK requested SLBC to direct the banks to comply with the directions cited above and permit the exception for DBT payments so that farmers are not denied of payments they are genuinely entitled to by law and procedure

SLBC convenor informed that the number of such accounts is drastically reduced and now it is less than 100.

SLBC request all the member banks to do the needful in this regard.

(Action: all banks)

##### **14.3 NPCI validation failed cases:**

Aadhaar seeding with beneficiary bank accounts is compulsory to receive any Direct Benefit Transfers (DBT) including, crop insurance claims.

Following banks have major pendency in case of NPCI failure case.

1. ICICI Bank Ltd
2. State Bank of Bank
3. BOB
4. Canara Bank
5. KVGB Bank

It is noted that a significant number of cases the crop insurance claims pushed by DBT bounced back due to **non/improper seeding of Aadhar with the bank account** of the beneficiary farmer. In 2987 cases, Rs.5.63 crores have resulted in failure of payment under PMFBY. It is requested that the Banks to take corrective action to seed the Aadhar with bank accounts in the above cases immediately.

SLBC requests member banks to accord TOP priority in seeding Aadhar with bank accounts.

**(Action: all banks)**

#### **14.4. Recovery of benefits passed on to ineligible beneficiaries under PMKISAN scheme.**

Under PMKISAN scheme, Government has requested to recover the amount received by the following beneficiaries:

- **IT assesses, death beneficiaries and Fraudulent applications from CSC/Self registration**

Agriculture Department had requested to recover an amount of Rs. 80,73,78,000 from the IT assesses and deposit in favour of “**Commissioner for Agriculture**”, SBI Vidhana Soudha, Bank account number 6402677843 (SBIN0040277). On receipt of details from Agriculture department, SLBC had shared the same with all the member banks with a request to recover the amount from such beneficiaries, remit the same and report it to State Government

As of now an amount of Rs. 6,05,26,515/- has been recovered from these income tax payees from various banks.

Currently 3312 beneficiaries have been **reported ‘Dead’** and it requested that amount credited to these accounts after the death should be recovered by Banks before closing the beneficiary bank account as death claim settlement. Agriculture department appreciated the Banks for responding well for recovering these amounts, however some banks are not sending the beneficiary Aadhar number and date of death for updating the beneficiary status in PMKISAN portal.

The GOI in its implementation process of PMKISAN had enabled an option for self-registration of farmers through its PMKISAN portal, Mobile application and through Citizen Service Centers for getting benefit under PMKISAN scheme. The total number of self-registered farmers of the state is available in the portal which is 3,82,801 and approval as on date is 2,03,819. The state, in the process of going through various reports available in GOI-PMKISAN portal noticed a too huge number enrolment in Chitradurga District.

The department has requested to recover the amount of Rs.42.43 crore from 87212 ineligible beneficiaries who received at least one installment and deposit the recovered amount to **account number 00425201001227 (IFSC CNRB0000425)** of Canara Bank, Hebbal, Bengaluru.

In case of the requisite amount is not available in the accounts may continue to be blocked till complete recoverable amount is recovered.

Convenor, SLBC requests all member Banks to take necessary action for recovering the remaining amount and send the beneficiary wise details of amount recovered (Farmer Name, Bank account Number, IFSC code, mobile Number and amount recovered) as it is required for transferring the recovered amount to GOI.

**(Action: all banks , Agriculture Department)**

#### **AGENDA 15. Crop Loan Waiver Scheme -2018**



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

Internal Audit booklet along with Annexures/tables/Certificates were finalized in coordination with CLWS Special Cell GoK and Finance Department-(FR) GoK with time schedule. The same is to be placed by the CLWS Special cell, GOK, in the portal to enable the member banks to complete the internal audit.

CLWS Special cell to confirm having placed the same in the portal. SLBC requests member banks to abide by the guidelines and time schedule by 30.09.2022.

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

**AGENDA 16: Fisheries Loan Waiver Scheme:**

Directorate of Fisheries in Karnataka informed that, an amount of Rs.49.00 crore was released to implement the scheme and Rs.48.99 crore has been utilized.

Further the department informed that they have identified some more beneficiaries.

SLBC requests the department to share the details. SLBC also request member banks to complete the process immediately on receipt of details from the department.

**(Action: all banks, Fishery Department)**

**AGENDA 17. Banking statistics as on 30<sup>th</sup> June 2022:**

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

There is a Y-o-Y growth of 7.75% in Deposits and 16.13% in Advances. CD ratio of the state as on 31.03.2022 is 70.88

The level of PSA in the State has increased from Rs. **313595** crores as of June 2021 to Rs. **358605** crores as of June 2022 showing an absolute growth of Rs.45010 crores and percentage growth of 14.35% on Y-O-Y basis.

Agricultural advances have increased from Rs.**148448** crores as of June 2021 to Rs.**173489** Crores as of March 22, showing an increase of Rs.**25041** crores (16.87 %) on Y-O-Y basis.

The outstanding level under MSME has increased from Rs.**109676** Crores as on June 2021 to Rs.**1320961** Crores as on June 2022 an absolute growth of Rs.22420 crores i.e., growth of 20.44 % on Y-o-Y basis.

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

**(Action: all banks, all LDMS)**

**17.2: Branch Network:**

Convenor informed the house that the number of bank branches has increased from 11654 as on 31.03.2022 to 11716 as on 30.06.2022, thus showing an increase of 62 branches on Q-o-Q basis.

**17.3 Status of Rural Bank Branch closure: Concerned bank to explain:**

District name	Bank name	Branch / Village	Distance between branches	Remarks
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Bagalkote	Canara Bank	Galagali / Yedahalli	4.3 km	Galagali village comes under submerged area of Upper Krishna Project and they have received letter from Special Land Acquisition Officer (SLAO) Bilgi to vacate the branch premises as entire village is notified as submerged area.
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The house discussed and permitted for relocation as the area is submerged.

**(Action: all banks)**

#### **17.4: ATM Network:**

Convenor informed the house that total number of ATMs as on 30.06.2022 is 16996 against 17175 as at 31.03.2022, thus showing a reduction of 179 ATMs.

**(Action: all banks)**

#### **Agenda 18: Progress under Aadhar seeding of operative CASA a/cs:**

Convenor informed that percentage of Aadhaar seeding was 88.9 as on 30.06.2022.

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

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

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

Convenor informed that percentage of Aadhaar seeding was 87.31% as on 30.06.2022 in PMJDY a/cs. Convenor requested, all member banks to encourage customers of new PMJDY and existing PMJDY accounts for Aadhaar and mobile seeding.

**(Action: All Member Banks)**

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

Convenor informed the House that the performance of banks in all the three Social Security Schemes (PMSBY 23.37 % growth, PMJJBY 36.02 % growth & APY 2.55 % growth) as on June 2022.

SLBC requested all the banks to give focused attention to extend the benefit of all these social security schemes to all eligible customers in their area of operation on a campaign mode.

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

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

#### **AGENDA 19: Government sponsored schemes**

##### **19.1a. Performance under Govt Sponsored Schemes for the FY 2022-23:**

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

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

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

##### **19.2: PMEGP:**

Convener informed the “Bank wise progress under PMEGP as on 30.06.2022 both in first dose and second dose.

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

### **19.3 CREDIT FLOW TO MINORITY COMMUNITIES:**

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

Convener informed the house that outstanding loans to minority communities was Rs.35328 Crores as on 30.06.2022.

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

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

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

#### **19.3.2: Progress under finance to Minority Communities in the identified districts of state:**

Convener informed the house that the flow of credit to minority communities in all the three minority community concentrated districts were Rs.842.27 cr in Bidar District, Rs.1067.24 cr in Kalburgi District, and Rs.6229.39 cr in Dakshina Kannada District .

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

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

### **19.4: Grant of Education Loans:**

Convener informed the house that during the review period (01.04.2022 to 30.06.2022) of the FY 20.22-23, various banks in the state of Karnataka have disbursed Education loans to the tune of Rs 421.91 Crores to 16133 accounts under both priority and non-priority segments.

SLBC requested the member banks to sanction more number of education loans to all eligible and deserving students and reach the targets for FY 2022-23.

**(Action: All Member Banks)**

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

#### **19.5.1. A: SELF HELP GROUPS:**

Convener informed the house that, Credit Linkage to SHGs up to June 2022 for FY 2022-23 is Rs.595.15 crores.

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

**(Action: All Member Banks)**

#### **19.5.2 : JOINT LIABILITY GROUPS:**

Convener informed the house that, total outstanding as on 30.06.2022 was Rs.9810.90 crores and also requested member banks to give focus on SHG/JLGs and achieve allocated targets.

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

**19.6: Progress in Stand Up India scheme as on 30.06.2022**

Convenor brought to the notice of the house that, as on June 2022 banks have sanctioned an amount of Rs.40.21 crores. Convenor requested all the member Banks to implement the scheme in a big way in the State by taking advantage of the publicity and marketing done during credit outreach programme in the state and advised banks to concentrate more on sanctioning of loans under Stand Up India scheme to SC, ST & Women beneficiaries.

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

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

Convenor informed the house that member banks have sanctioned 841227 MUDRA loan accounts amounting to Rs.5172.76 Cr from 01.04.2022 to 30.06.2022.

Convenor informed that Karnataka state had secured number **5<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 by end of the fourth quarter of the current financial year.

SLBC requests all the Banks to implement the scheme in a big way in the State by taking advantage of the publicity and marketing done during “Azadi Ka Amrit Mahaotsav” in the state. Further member banks are requested to share the outstanding as at end of each quarter, henceforth.

**(Action: All member Banks)**

**19.8 Progress under PMFME scheme:**

Convenor informed the house that Karnataka state has secured **2<sup>nd</sup> Place** in PAN India and banks had sanctioned 445 number of applications as on 30.06.2022 in respect of target of 3871 for FY 22-23.

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

**AGENDA 20: Position of NPAs in respect of schematic lending, certificate cases and recovery of NPAs**

**20.1: Non-Performing assets position as on 30.06.2022:**

Convenor has informed the house that total non-Performing assets position as on 30.06.2022 was 64746.87 crores.

**(Action: Member Banks)**

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

Convenor informed the house that under PMEGP share of NPA was 24.38% and requested the concerned depts. to extend necessary support to banks for recovery.

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

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

**20.3: Recovery of bank dues under KPMR & KACOMP Acts:**

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

**(Action: Revenue Dept. & All LDMs and Banks)**

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

Convenor informed the house that, from 01.04.2022 to 30.06.2022, 91214 Notices were sent for the amount involving Rs. 829714 lakhs and recovered 78820 lakhs.

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

**AGENDA 21: REVIEW OF RESTRUCTURING OF LOANS IN NATURAL CALAMITY AFFECTED DISTRICTS IN THE STATE, IF ANY**

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

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

**AGENDA 22: Promotion of Organic Farming - RBI:**

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

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

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

**AGENDA 23: Integration of FRUITS (Farmer Registration & Unified Beneficiary Information System) with Banks**

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

**(Action: all banks)**

**AGENDA 24: ISSUES REMAINING UNRESOLVED AT DCC/DLRC MEETING**

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

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

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

**AGENDA 25: SUB COMMITTEE MEETINGS HELD DURING THE REVIEW PERIOD:**

Convenor informed the house that 4 sub-committee meeting viz.,SHG-linkage, Agri and allied activities, Financial Inclusion and Deepening of Digital Payment were conducted by Convenors of SLBC Sub-committees for quarter June 2022. Convenor requested the remaining 4 sub-committee Convenors to conduct the meeting immediately and share the minutes.

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

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

**AGENDA 26: Atma Nirbhar Bharat Abhiyan**

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

Convener SLBC informed house that, it has informed by NCGTC, GOI vide their letter 1404/NCGTC/ECLGS dated:30.03.2022 regarding duration of Emergency Credit Line Guarantee Scheme (ECLGS) has been extended up to March 31,2023 or till guarantees for an amount of Rs 4,50,000 crore are issued (taking into account all components of ECLGS), whichever is earlier.

Convener informed to house that member Banks have sanctioned 318875 accounts with amount of Rs 27785 crore. under ECLGS scheme against total eligible amount of Rs 40284 crore as on 30.06.2022.

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

**(Actions: DIC and All Banks)**

## **26.2: PMSVANidhi scheme:**

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

Convener also informed that under PMSVANidhi scheme Karnataka state sanctioned 190486 and total disbursement is 164472

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

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

## **AGENDA 27 : Other Issues**

### **27.1 . Implementation of Kannada language by Banks.**

Convener SLBC informed that, 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.

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

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

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

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

As per DFS letter ref F.No.M-18012/1/2020 dated 20.04.2022 has revised timeline from 30.09.2021 to 30.09.2024 , all member banks and LDMs are requested to take suitable action to ensure that the

targets fixed for enrolment of identified eligible PMJDY account holders and PMMY beneficiaries are achieved well within the revised timelines. The timeline for achieving the targets is as follows:

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

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

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

**Agenda 27.3: Activities under Azadi ka Amrit Mahotsav (AKAM) in Karnataka state**

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

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

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

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

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

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

Convenor informed the house that , in spite of repeated mails and telephonic contacts we are yet to receive revised list of GPs/Villages from many banks wherever actually connectivity problem exists for Bank Branches/BCs. SLBC advises State control heads to provide the said data at the earliest.

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

**27.5: Performance by Banks under Annual Atal Pension Yojana (APY) Targets during FY 2022-23: (from 01.04.2022 to 30.06.2022)**

Convenor informed the house that, Karnataka has achieved 22% of APY target set by PFRDA during FY 2022-23 upto 30.06.2022.

Major Banks (All PSBs and 4 Private banks i.e. ICICI Bank, AXIS Bank, HDFC Bank, IDBI Bank) achieved 15% target, Private Banks achieved 15% target, RRBs achieved 48% targets.

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

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

**27.6: Status of Aadhar Enrolment Centers in banks in the State:**

Convenor informed that, UIDAI, Bangalore had informed that as on 30.06.2022 814 kits were active with 271193 enrolments/updates in the last 30 days against 889 active kits with 206607 enrolments/updates in the last 30 days as on 31.03.2022

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

**(Action: ALL member Banks)**

**AGENDA 28: Skill development:**

**28.1: RUDSETI / RSETIs**

Convenor informed that there are 7 RUDSETIs and 24 RSETIs are functioning in Karnataka state as on 30.06.2022

**28.2: Status of RSETIs / RUDSETIs as on 30.06.2022 reported by sponsor Banks is as under:**

Convenor informed the house that total number of training programmes conducted were 187 against the target of 855 as on 30.06.2022

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

Convenor informed to house that number of trained persons were 4558 and number of trained persons credit linked were 1595 during financial year 2022-23 for Jun 2022

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

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

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

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

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

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

**(Action: Skill Development Department GoK)**



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

The Tollfree Call Center is being managed by M/s Conneqt Business Solutions Limited, Hyderabad. The contract for the Tollfree Call Center expired on 07.12.2021. The contract was extended on the existing terms and conditions upto 31.08.2022. The charges are paid at the rate of Rs. 44925/- per person per month and applicable GST charges. The same vendor has requested for the extension of the contract for a further period of 3 years and has sought an enhancement of Rs. 1000/- per person per month effective from 01.12.2022. The increase will be of Rs. 1000/- per person per month, every year thereof. Since the vendor is executing the work satisfactorily, SLBC requested the House to consider for the renewal of the above contract for the same vendor for 3 years from 01.09.2022 to 31.08.2025.

The House agreed to this proposal from SLBC.

Convenor informed the house that the Toll Free number 1800 4259 7777 continues to be functional through vendor M/s Conneqt Business Solutions Ltd., Hyderabad and the total no. of calls received at the Helpdesk from April 2022 to June 2022 was 2285.

Convenor also requested member Banks and LDMs to popularize this Toll Free Number among their customers.

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

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

Convenor informed the house that, as on 30.06.22, about Rs.35.09 crore was pending to be released by SRLM to various RSETIs in Karnataka and the pendency was continuing for many years.

The Mission Director NRLM informed that around 20.00 crore will be released shortly and remaining amount will be released after some time.

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

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

**28.7: Request for enrollment to SLBC Karnataka.**

Convenor inform the house that Utkarsh Small Finance Bank: M/s.Utkarsh Small Finance bank had requested SLBC to enroll them as one of the members of SLBC. The SFB had 5 branches in Karnataka and 686 branches all over the country. The bank had a total Deposits of Rs.10074 crores and advances of Rs.10228 crores.

The house has permitted to enroll Utkarsh Small Finance Bank as one of the member for SLBC

**(Action: Utkarsh Small Finance Bank& SLBC)**

**Agenda: 28.8 :SVAMITVA Scheme**

Convenor informed the house that IBA had addressed a letter dated 20.07.2022 to all public sector banks regarding reluctance in providing loans against property cards issued under the subject scheme. It had also advised SLBCs to discuss the same in SLBC forum.

**(Action: SLBC and all banks)**

Photos of the 158<sup>th</sup> SLBC meeting held on 15.09.2022



**SLBC – KARNATAKA  
LIST OF PARTICIPANTS  
158<sup>th</sup> SLBC Meeting held on 15.09.2022**

Sl. No.	Name Shriyuths -	Designation	Organization
1	Mrs. Vandita Sharma	Chief Secretary	Govt of Karnataka
2	Mr. I S N Prasad	Addl. Chief Sec. & Dev. Com.	Govt of Karnataka
3	Mr. Brij Mohan Sharma	Executive Director	Canara Bank(Through VC)
4	MS Sunanda Batra	General Manager	Reserve Bank of India (Through VC)
5	Sri. T Ramesh	Chief General Manager	NABARD
6	Sri. A Muralikrishna	Convenor- SLBC & GM	Canara Bank
<b>Reserve Bank of India (Through VC)</b>			
7	MS Sunanda Batra	General Manager	Reserve Bank of India
8	A K Pathak	Deputy General Manager	Reserve Bank of India
9	Santhaprakash S	Manager	Reserve Bank of India
<b>CONVENOR – Canara BANK</b>			
10	B Parshwanath	Deputy General Manger	Canara Bank
11	Preveen M P	Assistant General Manager	Canara Bank
12	T S Vasudevatachar	Divisional Manager	Canara Bank
13	Thimma naik M	Divisional Manager	Canara Bank
14	Amol R Akolkar	Manager - SLBC	Canara Bank
15	Anup kumar	Manager - SLBC	Canara Bank
16	Manoj Kumar Sinha	Manager- SLBC	Canara Bank
17	Vidya M	Manager- SLBC	Canara Bank
18	Kavitha T K	Officer - SLBC	Canara Bank (Through VC)
<b>MEMBER BANKS AND STATE GOVT DEPARTMENTS</b>			
19	Debananda saho	Chief General Manager	Canara Bank
20	Anand	Senior Manager	Canara Bank
21	Sridhar Narayana Kulkarni	General Manager	State Bank of India
22	M Arunagiri	Deputy General Manager	State Bank of India
23	Rajesh Gupta	DeputyGeneral Manager	State Bank of India
24	Subramanya	Assistant General Manager	State Bank of India
25	Sudhakar Nayak	General Manager	Bank of Baroda
26	Venkatesh	Senior Manager	Bank of Baroda
27	Sunil Kumar Yadav	Deputy General Manager	Union Bank of India
28	Nagaraj Deshnur	Chief Manager	Union Bank of India
29	Santosh Kumar Sharma	Assistant General Manager	Punjab National Bank
30	All member banks , all state govt departments & LDMs		Through VC