



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

**Minutes of The 166<sup>th</sup> SLBC Meeting And Banking Statistics As On 30<sup>th</sup> June 2024 Held On 14.08.2024**

The 166th SLBC quarterly meeting for the State of Karnataka was held on 14.08.2024 at 12:30 PM at The Hotel Chancery Pavilion, 135, Residency Road, Shanthala Nagara, Ashok Nagar under the Chairmanship of Dr. Shalini Rajneesh, Chief Secretary, GoK, and attended by Smt. Sonali Sen Gupta, Regional Director, Reserve Bank of India, Shri Bhavendra Kumar, Executive Director, Canara Bank, Dr. Vishal R, Secretary to Government, Finance Department (Fiscal Reforms), Sreevidya, P I, Mission Director, NRLM GoK, Shri. P C Dash, General Manager, NABARD, Shri V Hari Prasad, Deputy General Manager, Reserve Bank of India, Shri K J Srikanth, Convenor SLBC Karnataka and Chief General Manager, Canara Bank. Other Principal Secretaries, Secretaries, Commissioners & Directors from Government departments/corporations and Senior executives from RBI, NABARD, and different banks attended through video conference.

Shri. K J Srikanth, Convenor, SLBC Karnataka, welcomed Dr. Shalini Rajneesh, Chief Secretary, GoK, Smt. Sonali Sen Gupta, Regional Director, RBI, Dr. Vishal R, Secretary to Government, Finance Department (Fiscal Reforms), GoK, Sreevidya, P I, Mission Director, NRLM GoK Shri, P C Dash, General Manager, NABARD, and Shri Hari Prasad, Deputy General Manager, RBI.

**Discussion on Agenda Items**

Shri. B Parshwanath, Deputy Convenor, SLBC Karnataka, informed the House that the agenda papers had been placed before the participants and the point-wise agenda issues were being taken up for deliberations. The proceedings of the meeting are placed hereunder for the record and further necessary action by stakeholders.

**AGENDA ITEM NO. – 1**

**1.1 Confirmation of the minutes of 165<sup>th</sup> SLBC meeting held on 15.05.2024:**

The minutes of the 165th SLBC meeting held on 15.05.2024 were circulated among all the member banks and government departments. Since there were no suggestions received, the house may kindly confirm the minutes.

**1.2 Follow-up action on the decisions taken during the previous SLBC meeting:**

The Convenor informed the house that Bandhan Bank, Kotak Mahindra Bank, IndusInd Bank, AU Small Finance Bank, ESAF Small Finance Bank, and Apex Bank had delayed uploading the data in the SLBC revamp portal. The chairperson advised all member banks to upload the data within the stipulated time frame.

**1.3 Delay/non submission of data by the member banks for onward submission to regulators:**

Furthermore, he informed that Bank of Baroda, AXIS Bank, DBS Bank, CSB, and DCB banks were consistently delaying the submission of various data. The Chief Secretary,



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Government of Karnataka, had advised Bank of Baroda and Axis Bank to comply within stipulated time line.

Chief Secretary, Gok instructed SLBC to give name of defaulter banks who were always delayed for data submission in last 3 quarters.

**(ATR : Bank of Baroda, DBS Bank, DCB Bank and Bandhan Bank were always delayed in submission of various data.)**

**AGENDA ITEM NO. – 2**

**2.1 Banking statistics as on 30<sup>th</sup> JUNE 2024:**

The Deputy Convenor presented the banking statistics on deposits, advances, CD ratio, total priority sector advances (PSA), and advances to micro, small, and medium enterprises (MSME) and agriculture, in the state of Karnataka as of June 2024.

There was a year-over-year (Y-o-Y) growth of 11% in deposits and 20% in advances. The CD ratio of the state as of June 30, 2024, was 79%.

There was an absolute growth of Rs. 57,734 crores in PSA over June 2023, showing an absolute percentage growth of 15% on a Y-o-Y basis.

Agricultural advances increased from Rs. 1,95,180 crores as of June 2023 to Rs. 2,25,881 crores as of June 2024, showing an increase of Rs. 30,701 crores (16%) on a Y-o-Y basis.

The outstanding level under MSME increased from Rs. 1,46,636 crores as of June 2023 to Rs. 1,71,887 crores as of June 2024, an absolute growth of Rs. 25,250 crores, i.e., a growth of 17% on a YoY basis.

The Convenor requested all Member Banks and LDMs to focus more on priority sector lending particularly under Education, Housing, and Export Credit to further improve disbursements under the PSA.

**AGENDA ITEM NO. - 3**

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

The Deputy Convenor presented a comparative analysis of disbursements as of the June 2024 quarter of FY 2024-25.

- The banks disbursed Rs. 30,588 crores under **Short Term agriculture** loans, registering a **27%** achievement of the annual target as of 30.06.2024.
- The banks disbursed Rs. 24,468 crores as of June 2024 under **Agricultural Term loans**, registering a **32%** achievement of the annual target.
- Total **agriculture** registered a **29%** achievement as of 30.06.2024 of the annual target.



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- The banks disbursed Rs. 72,985 crores under **MSME** as of 30.06.2024, registering a **42%** achievement of the annual target.
- The banks disbursed Rs. 1,32,866 crores under total **PSA** as of 30.06.2024, registering a **34%** achievement of the annual target.

The chairperson advised that all member banks focus more on the education and export sectors. The chairperson also requested the bankers to organize a special drive to popularize and publicize all educational schemes to improve lending under the priority education sector.

Further, the chairperson directed the SLBC to review the targets allotted to the education sector for the current financial year. Additionally, an export hub is being created at the Bengaluru International Airport Limited. The state government is prioritizing exports in the state, and all banks are to give top priority to lending under the export sector.

The fixation of ACP for 2024-2025, especially under social infrastructure, exports, and renewable energy, should be reviewed as it is low.

**ATR:**

**ACP target fixation for FY 2024-25:** Earlier ACP target fixation was based on previous year target and potential available for the districts. In order to have a realistic target, fixation of ACP for the current year 2024-25 was done based on December 2023 Achievement and potential available for districts as guided by FIDD, RBI and NABARD.

**Review of Education on Quarterly basis:** Chairperson instructed the house to review Education loan on quarterly basis and to submit a detailed report on the same., The same has been informed to Bank of Baroda Convenor of Retail subcommittee to review Education loan performance of member Banks on quarterly basis and to advise low performance Banks to improve their Performance in the state.

**Export credit reporting:** Major Banks informed house that currently they are reporting export credit loans under Agriculture and MSME sectors based on the activity for which loan was sanctioned. Chairperson instructed us to check feasibility of reporting such accounts under export credit head also, will insist banks to check feasibility of extracting and reporting these accounts separately under export credit head also.

**3.2 Major Bank wise performance/Achievement of ACP as on March 2024:**

The house took note of the performance of all the banks under ACP as of 30.06.2024. The Chairperson advised the poorly performing banks to achieve the ACP target on a quarterly basis.

The Deputy Convenor informed that the State Bank of India, Bank of India, Bank of Maharashtra, Central Bank of India, Indian Bank, Punjab National Bank, Punjab and Sind Bank, and other major private sector banks like HDFC, Axis Bank, and ICICI are lagging in achieving the mandatory priority sector targets and agriculture target of 40% and 18%, respectively.



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The Chairperson advised the banks, especially SBI, PNB, BOB, HDFC, etc., to work on attaining the mandated targets the RBI under the priority sector and agricultural credit.

**(Action: SBI, BOI, BOM, Central Bank, PSB, UCO bank, HDFC, Axis Bank and PNB)**

**AGENDA ITEM NO. - 4**

**4: ACP performance district wise:**

The Convenor informed the house that Uttara Kannada (39%), Dharwad (38%), Kodagu (35%), Bengaluru Rural (35%), and Bengaluru Urban (31%) are the top five districts that are top performers under the ACP achievement for the June quarter of FY 2024-25. Also remaining district also achieved the minimum 25 % of quarterly targets.

**(Action: All LDMs)**

**AGENDA ITEM NO. - 5**

**Review of Districts having CD Ratio less than 60% and Working of Special Sub-Committees of DCC:**

The Deputy Convener informed that the CD Ratio of the State as on 30.06.2024 is 79.01%.

Further Deputy Convenor informed that After formation of subcommittee on CD Ratio in both district they have shown slight improvement and it is suggested by both the LDMs that there should be proper infrastructure facility should be provided.

Both the LDMs provided the reasons for the low CD ratio, which are as follows:

1. Limited scope of industrial activities due to CRZ (Coastal Regulation Zone) restrictions and forest area restrictions hindering industrial growth in the district.
2. Out of the total geographical area in both districts, around 40% is covered by forest and 15% is barren or not available for cultivation, which is one of the major reasons for the low CD Ratio.

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

**AGENDA ITEM NO. - 6**

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

Deputy Convenor has expressed gratitude to the Skill Development Department, GoK, for the release of Rs 23 crores in BPL claims and requested the department to clear the pending claims of Rs. 34.19 crores as early as possible. The Mission Director, NRLM Department, assured them of clearing the same as soon as the funds are received from the Government of India.



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The Chairperson has instructed the NLM Department to clear the BPL claim pendency immediately.

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

**AGENDA ITEM NO. - 7**

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

The Convenor informed the house that there were two lands allotted to RSETI prior to April 2022, but both lands were under litigation at the High Court Benches in Kalburgi and Dharwad.

The Chairperson instructed the Skill Development Department to resolve the issue urgently.

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

**AGENDA ITEM NO. - 8**

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

The Convenor of SLBC informed that the State Bank of India, vide email dated 19-07-2024, has informed that SBI have taken up the matter with the District Commissioner, Vijayanagara, to allot a suitable alternate site for the construction of a new RSETI building vide letter dated 01.02.2024 and 08.04.2024. They have also requested the allotment of temporary premises for the functioning of RSETI.

The SLBC requests the State Government's intervention in the said matter.

**(Action: State Bank of India, Dept. of Skill development, GoK)**

**AGENDA ITEM NO. - 9**

**1% interest Subvention for KCC loans:**

Deputy Convenor informed that the Government of Karnataka is providing a 1% interest subvention for crop loans (KCC) up to 1 lakh to farmers who are repaying KCC loans promptly. However, Rs. 26 Crores of interest subvention has not been received from the department for the last 3 years.

The Chairperson instructed the Agriculture Department to settle the pending 1% interest claim at the earliest.

**(Actions: Agriculture Department)**





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**AGENDA ITEM NO. - 10**

**SVAMVITVA (Survey of Villages and Mapping with Improvised Technology in Village Areas) scheme:**

The Convenor requested the State Government Department to issue necessary legislative changes stipulating that property cards issued under SVAMVITVA shall confer absolute ownership rights to the holders with an unconditional right of transfer.

The Survey Commissioner, GoK, replied to the house that it is premature to amend state law at this stage. Once 60-70% of villages in the state are covered, the SVAMVITVA scheme can be implemented at a later stage.

**(Action: SSLR Dept. GoK)**

**AGENDA ITEM NO. - 11**

**Stamp Duty Charges:**

The Deputy Convenor informed that during the 165th SLBC Steering Committee meeting, a few member banks informed SLBC that there has been a recent increase in stamp duty charges for all loans, which is causing inconvenience and financial burden to customers. They requested the State Government to look into the matter.

Deputy Convenor informed that SLBC had communicated the issue to the Revenue Department and requested the state government to intervene.

Chief Secretary, GoK informed the house that a meeting would be convened between IGR and the Revenue Department to sort out the issue.

**(Action: State Government)**

**AGENDA ITEM NO. - 12**

**Unclaimed deposits (DEAF):**

Dr Vishal R, Secretary Finance Dept. instructed all banks should clear the unclaimed deposits as early as possible.

**(Action: All Member Banks)**

**AGENDA ITEM NO. - 13**

**Payment of Stamp Duty and Registration fee collected in the form of DD/pay order to Government of Karnataka:**

The Deputy Convenor informed that the SLBC had received a letter from the Additional Chief Secretary, Finance Department, Government of Karnataka, regarding the payment of interest amounting to Rs. 41.56 Crore on delayed realizations of Stamp Duty and Registration fee collected in the form of Demand Draft/Pay Order to the Government of Karnataka Head of Account 0030. It was mentioned that the office of the Inspector General of Registration and



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Commissioner of Stamp, Bengaluru, vide his letter No. RIC 09 2019-20 dated 19.09.2018 & 11.03.2019, had demanded the payment of interest amounting to Rs. 55.25 Crore on delayed realizations of Stamp Duty and Registration fee collected in the form of Demand Draft/Pay Order to the Government of Karnataka Head of Account 0030.

Furthermore, he informed that in response to the letter, Rs. 4.46 Crore was remitted by the State Bank of India on 09.01.2017, and Rs. 9.23 Crore was remitted on 27.10.2022, leaving a pending payment of Rs. 41.56 Crore.

**(Action: SBI)**

**AGENDA ITEM NO. - 15**

**AGENDA 15.1 Monitoring of utilization of the credit provided for agriculture and allied activities for the intended purpose**

The Regional Director (RD) shared the survey conducted by RBI, Central Office, related to the average amount outstanding under credit for crop cultivation and allied activities.

RD impressed upon banks to ensure monitoring of the utilization of credit provided for agriculture and allied activities in different type of schemes including KCC for the intended purpose along with the repayment of eligible amount under subvention scheme/subsidies/others. Furthermore, the SLBC should ensure that the drought relief fund /other relief fund released by the state government is not automatically adjusted by banks against the outstanding loans without obtaining consent from the respective customers.

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

**AGENDA 15.2 Unbanked Rural Centers in Karnataka**

The Regional Director informed that SLBC Convenor Bank has been advised to identify all unbanked rural centers (URCs) in the state, compile, and maintain an updated list of all such centers. The updated list should be displayed on the website of SLBC to facilitate banks in choosing or indicating the place or center where they wish to open a 'Banking Outlet'.

Further, RD advised SLBC to upload the data on URCs in the SLBC portal based on the extant RBI instructions instead of uploading unbanked villages based on the Jan Darshak portal, maintained by the Department of Financial Services

**(Action: SLBC)**

**AGENDA 15.3 District Level Review Committee Meetings**

The Regional Director, RBI drew attention of the house about the importance of the District Level Review Committee (DLRC) meetings which serve as a platform for stakeholders to review district-level credit plans and devise strategies to enhance credit flow to deserving



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sectors. Additionally, they provide an opportunity for public representatives to share their feedback for improving the overall strategy. Madam also highlighted that the attendance of public representatives from the state of Karnataka has been concerningly low, with only 16% of DLRC meetings being attended over the past eight quarters. In light of this, the Regional Director desired that Lead District Managers (LDMs) must conduct DCC and DLRC meetings separately within the stipulated time frame.

**(Action: All LDMs)**

**AGENDA 15.4 LBS Fora Meetings**

The Regional Director, RBI brought to the notice of SLBC that DCC/DLRC meetings for the QE June 2024 for Kodagu, Bidar districts was rescheduled twice before it was postponed. Another DCC & DLRC of Raichur district was conducted without intimating to LDO of the district. SLBC Karnataka was advised to sensitize all the LDMs regarding the intimation to all stakeholders well in advance to facilitate members' participation.

**(Action: All LDMs, SLBC)**

**AGENDA 15.5 Request for opening Banking Outlet at Yelimunnoli Gram Panchayat, Taluka - Hukeri, District - Belagavi, Karnataka**

The SLBC furnished Action Taken Report (ATR) as advised by RBI stating that the opening of a physical branch in the said village was not feasible because of the existence of seven branches within the radius of five kms.

**AGENDA 15.6 Review of commission/ fee paid to business correspondents**

The Regional Director advised banks to review BC's commission and fix remuneration structure as per the extant guidelines. The remuneration should comprise of fixed and variable components and dependent on certain indicators or measures of customer satisfaction. The bank may ensure that the corporate agent adhere to the extant guidelines and all controlling heads are expected to monitor the same.

RD expressed concern regarding the poor percentage of certified BCs (15.06% certified) in the state and urged banks/SLBC to look into the issue and improve the percentage.

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

**AGENDA 15.7 Awareness of ACP targets at branch level**

The Regional Director expressed dismay on branch managers being not aware of their ACP targets in most cases. All banks were advised to ensure that they synchronize their internal business plans with the ACP as elucidated in Master Circular on Lead Bank Scheme dated April 1, 2024.

**(Action: All Banks)**





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**AGENDA 15.8 MSME Cluster Financing**

On July 10, 2024, RBI had convened a meeting in Bengaluru to explore "Cluster Financing" with representatives from Canara Bank, SBI, and Bank of Baroda and delegates from SLBC, SIDBI, DIC, and MSME-DFO. Regional Director stated that the involvement of SLBC is expected to facilitate banks in adopting cluster-based approach for financing SMEs.

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

**AGENDA 15.9 Financial Literacy Camp by banks**

Regional Director informed that some rural bank branches are not adhering to RBI guidelines regarding the frequency of Financial Literacy Camps (FLC). As per extant guidelines, rural branches are required to conduct one FLC camp per month, specifically on the third Friday of each month after branch hours. During recent visits to rural branches by RBI's Lead District Officers (LDOs), it was observed that certain branches were not complying with these guidelines. The banks to ensure compliance.

**(Action: All Banks)**

**AGENDA 15.10 Appointment of Vacant Financial Literacy Counsellors**

The Regional Director of the RBI informed that Financial Literacy Counsellors (FLCs) play a very important role in strengthening financial literacy. Banks may take the necessary steps for the expeditious appointment of FL Counsellors. SBI, UBI, BoB, and BoI were urged to appoint FL Counsellors at the earliest.

**(Action: SBI, UBI, BoB and BoI)**

**AGENDA 15.11 Domestic Money Transfer – Review of Framework**

The Regional Director drew reference to RBI Circular [DPSS.PD.CO.No.622/02.27.019/2011-2012 dated October 5, 2011](#), initially introduced in 2011, to reflect advancements in banking, payment systems, and KYC procedures. The circular was reviewed, and certain changes were made vide RBI Circular on 'Domestic Money Transfer – Review of Framework' dated **July 24, 2024**, taking into account **Cash Pay-out Service and Cash Pay-in Service**. **The banks were advised to take note of the same especially with regard to BC's transactions.**

**AGENDA 15.12: Non-Banking Financial Companies (NBFC) charging Higher.  
Rate of Interest for all loan**



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The regional Director stated that NBFC is not a member of the SLBC and hence issue related to higher interest rates charged by NBFC may not be highlighted in this meeting. A survey was conducted by RBI and it was observed that 59% of the Agri-related loans were sanctioned by the banking sector. The interest rate of NBFC was deregulated by RBI and the interest rate charged by NBFC was based on cost of fund, margin and risk premium etc.

RD opined that customers borrow at higher interest rate from MFIs/NBFCs owing to denial of credit facilities by banks, as banks are generally risk averse and if SLBC has any issues with any particular NBFC, the same may be brought to the notice of RBI for examining the same at the appropriate level.

**AGENDA ITEM NO. – 16**

**AGENDA 16.1: Delay in Crediting Interest Subvention to Coffee Growers' Accounts :**

The General Manager of NABARD has informed us that NABARD has received a letter from the Coffee Board. It has been reported that despite the timely release of funds by the Government of India and subsequent disbursement by NABARD, there have been significant delays by banks in crediting the subvention amounts to the growers' accounts.

All member banks are requested to ensure that the subvention amounts are credited to the growers' accounts without any unnecessary delays.

The Chief Secretary informed that special camps have to be conducted by all banks for giving interest subvention to the coffee grower belt.

**(Action: All Banks)**

**AGENDA 16.2: Continuation of ACABC Scheme FY 2024-25:**

The General Manager, NABARD, informed about the continuation of the ACABC Scheme for the current financial year (FY) 2024-25 with the existing cost norms. All banks are requested to explore extending credit to eligible candidates trained under the scheme.

**(Action: All Banks)**

**AGENDA 16.3: Submission of Utilization Certificate under Govt. Subsidy Schemes(GSS):**

All banks are advised to submit the utilization certificates (UCs) to NABARD immediately upon receipt of the final subsidy. In the case of the Agricultural Mechanization Intervention Scheme (AMIS) and the ACABC schemes, this must be complied with without fail.

**(Action: All Banks)**

**AGENDA 16.4: Digitisation of Scale of Finance:**

The General Manager, NABARD, informed that the Government of India, along with the state governments, is setting up an Agri-Stack to make it easier for farmers, among other things, to access credit. Since the scale of finance (SoF) is an important variable in determining the quantum of agricultural credit, a digital SoF registry has been devised by NABARD to capture SoF data in line with the Crop Registry of the Ministry of Agriculture and Farmers Welfare



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(MoA&FW), Government of India. The apex bank is to start the exercise by October 2024 for fixing the SoF for 2025-26.

**(Action: Apex Bank)**

**AGENDA 16.5: Pledge financing for agriculture commodities through electronic Negotiable Warehouse Receipt (e-NWR):**

General Manager, NABARD informed that e-NWR can facilitate easy pledge financing by banks and other financial institutions. e-NWR also helps save expenditure in logistics as stock can be traded through multiple buyers without physical movement and can be split for partial transfer or withdrawal. e-NWRs promote scientific warehousing for the storage of agricultural goods and commodities, and bankers are requested to promote them.

**(Action: Apex Bank)**

**AGENDA 16.5: Pledge financing for agriculture commodities through electronic Negotiable Warehouse Receipt (e-NWR):**

General Manager, NABARD informed that banks may provide collateral-free loans to FPOs under the NABSanrakshan Credit Guarantee Scheme. Banks may explore the possibility of providing overdraft facilities to the FPOs, even though FPOs have taken loans from other financial institutions.

**(Action: All Banks)**

**AGENDA 16.7: Support under Financial Inclusion Fund (FIF) for Rural Connectivity- HTS-VSAT, Dual LTE and SD WAN technologies:**

General Manager, NABARD informed that NABARD has been providing support under FIF to improve connectivity in the form of CAPEX support for both solar and non-solar-powered VSATs in the network grey areas. The VSAT being supported was based on a wide beam-based communication system. Keeping in view its limitations, it has been decided to introduce an HTS-based VSAT communication system as an improvement.

Further, he informed that all banks are eligible for support for the installation of HTS VSAT, HTS VSAT in combination with SD WAN, or Dual LTE in the North-Eastern Region, hilly states/UTs (viz., Himachal Pradesh, Uttarakhand, UTs of Ladakh and Jammu & Kashmir), and tier 5/tier 6 centers across the rest of the country where connectivity is erratic and no support under FIF has been availed for VSAT earlier.

Operative period: The scheme will be operational for a period of three years, effective from April 1, 2024, to March 31, 2027. NABARD had shared a circular regarding the aforementioned scheme with all the DCCBs, RRBs, major commercial banks (namely, SBI, Canara Bank, Union Bank of India, Bank of Baroda), and payment banks (Airtel, Fino Payment Bank, IPPB) via email on July 10, 2024, requesting them to indicate their connectivity requirements.

Banks are requested to avail of support under the scheme and submit proposals to NABARD.

**(Action: All Banks)**



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**AGENDA 16.8: Support to Government of Karnataka under RIDF**

The General Manager of NABARD informed that NABARD has been supporting the Government of Karnataka (GoK) in creating rural infrastructure covering agriculture and allied sectors, rural connectivity, and the social sector, including drinking water projects, enabling the overall development of rural areas. A total of 44,134 projects with a total financial outlay of 28,728.69 crores were supported by the state government.

Banks may provide crop loans to farmers in the command areas of irrigation projects completed by the Government of Karnataka with the concessional loan extended under the Rural Infrastructure Development Fund (RIDF) by NABARD.

**(Action: All Banks)**

**AGENDA ITEM NO. - 17**

**Progress under Social Security Schemes:**

The Convenor informed the house that the number of accounts outstanding under the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), and Atal Pension Yojana (APY) schemes are 172 lakhs, 69 lakhs, and 37 lakhs, respectively.

Further, the Convenor informed that the Secretary, Finance Department, GoK, is conducting a monthly review meeting to review the progress under Suraksha schemes and advised Banks to saturate all eligible accounts under the Suraksha schemes.

The Convenor also informed that as per the State Government's instruction, a Saturation Campaign under social security schemes is being conducted at the Gram Panchayat level from 18.06.2024 to 30.09.2024 to cover all eligible beneficiaries under Suraksha schemes. He advised all member banks to make the campaign a grand success.

Dr. Vishal R, Secretary to the Government, Finance Department (Fiscal Reforms), raised concerns about the declining trend. However, it was clarified that this happened due to some closures last year. He advised all bankers to focus more and saturate all eligible beneficiaries under social security schemes.

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

**AGENDA ITEM NO. - 18**

**Status of Bank Linked Government Sponsored Schemes:**

Deputy convenor informed the house that SLBC has received a communication from Additional Chief Secretary and Development Commissioner, GoK, and instructed the review of Government Sponsored Schemes under rejection reasons.



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Chief Secretary, GoK advised all the member banks to clear all pending applications and provide common reasons for rejections to the state government to scrutinize the applications at the field level.

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

**AGENDA ITEM NO. - 19**

**PMSVANidhi scheme:**

Deputy Convenor informed that Karnataka State ranks in 5<sup>th</sup> position in the sanction of PMSVANidhi loans and should strive hard to regain the No. 1 position. BBMP received the 2nd rank at the National Level Praise Award under PM SVANidhi, and Tumakuru Municipal Council received the 3rd rank award under SVANidhi Se Samridhi. He also informed that under the PM SVANidhi scheme, the Karnataka State sanctioned 5,26,527 applications, and 5,00,564 applications were disbursed.

The CS, GoK, has instructed all member banks to clear the pending applications within one month.

**(Action: NULM, GoK, Karnataka Bank, all Member Banks & LDMS)**

**AGENDA ITEM NO. - 20**

**Expanding and deepening of the Digital Payments Ecosystem:**

The Deputy Governor informed that Bandhan Bank, J&K Bank, and Tamilnad Mercantile Banks have not achieved 100% digitization.

The Regional Director, RBI, has instructed Bandhan Bank, J&K Bank, and Tamilnad Mercantile Bank to achieve 100% digitization before 31.08.2024.

**(Action: Bandhan Bank, J&K Bank and Tamilnad Merchantile Bank)**

**AGENDA ITEM NO. - 21**

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

The SLBC Convenor informed that the banks with the highest number of inactive BCs are Fino Payments Bank (13523), Yes Bank (1323), Canara Bank (839), Axis Bank (462), and Bank of Baroda (372).

The Chief Secretary, GoK, and Regional Director, RBI, advised the aforementioned banks to activate the inactive BCs at the earliest.

**(Action: Canara Bank, SBI, UBI, BOB, BOI, Indian Bank, PNB, UCO, Karnataka Bank, HDFC, Axis Bank, Yes Bank, IDFC, Airtel Payment Bank and Fino Payment Bank)**





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**AGENDA ITEM NO. 22**

**Review of Financial Literacy Camps:**

The Convenor informed that State Bank of India (17), Union Bank of India (10), Bank of Baroda (1), and Bank of India (1) have non-functional FLCs as of 30.06.2024.

The Chairperson advised the aforementioned banks to reduce the non-functional FLCs at the earliest.

**(Action: State Bank of India, Union Bank of India, Bank of Baroda, Bank of India)**

**AGENDA ITEM NO. - 23**

**Centre for Financial Literacy (CFLs):**

The Convenor informed that there are 79 CFLs in the state of Karnataka, sponsored by Canara Bank, State Bank of India, Union Bank of India, and Bank of Baroda.

A total of 10,376 camps were conducted during the quarter, with 3,49,818 participants.

**AGENDA ITEM NO. - 24**

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

The Deputy Convenor informed that Raichur and Yadgir districts have achieved the targets for PMJJBY and APY, but not for PMSBY and CASA.

He further requested all the member banks to achieve the allotted targets under PMSBY and CASA in Raichur and Yadgir districts.

**(Action: All member Banks, LDM of Raichur and Yadgir Districts)**

**AGENDA ITEM NO. - 25**

**Issues related to cyber Fraud reported and delay in response by Nodal Officers of the Bank:**

The Deputy Convenor informed the house that the Police Department has raised concerns that a few Cyber Crime Nodal Officers are not responding to the police department's calls, due to which account freezes/stops/holds in suspicious accounts are getting delayed.

The Regional Director, RBI, advised all member banks to respond to calls given by Law Enforcement Authorities (LEA) immediately and advised all member banks to attend the meeting scheduled for 21.08.2024 by the Police Department.

**(Action: All member Banks)**



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**AGENDA ITEM NO. - 26**

**26.1 KCC Loans – Disbursements & Outstanding:**

SLBC-Convenor informed the house that the achievement in the total KCC outstanding as of June 2024 is Rs. 65,995 Crores. Convenor-SLBC requested all Member Banks to sanction KCC loans to all eligible farmers for agriculture and allied activities.

Chief secretary instructed all the member banks to saturate all eligible Small & marginal farmers under KCC.

**(Actions: All Member Bank)**

**26.2 KCC-Dairy and other animal husbandry activities:**

SLBC Convenor informed the house that banks have sanctioned 18,011 KCC AH loans amounting to ₹133.86 Cr.

SLBC Convenor informed the house that banks have sanctioned 3,566 KCC fishery loans amounting to ₹85.06 Cr. The Chairperson instructed KMF to source more applications.

**(Actions: All Member Banks and Animal Husbandry and Fisheries department, GoK)**

**AGENDA ITEM NO. - 27**

**Dept. of Agriculture & Farmer Welfare Schemes**

**27.1: Agriculture Infrastructure Fund (AIF) :**

The Convenor informed that Karnataka State ranked 5th in disbursement and 7th in sanction on a Pan India basis.

Further, the Convenor informed that during FY 2024-25, banks sanctioned 255 accounts amounting to 281.52 Crores.

Further, he instructed all member banks to clear the pendency under sanction and disburse cases. Also, for all pending and existing applications, banks have to complete the Geo-tagging using the Krishi Mapper App.

**(Actions: All Member Banks)**

**27.2: Pledge Financing for Agriculture commodities through Electronic Negotiable Warehouse Receipt (e- NWR):**

The Convenor informed the house that banks have an outstanding of 2824 loans amounting to Rs. 1420 crores as of 30.06.2024.



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**27.3: Performance under Animal Husbandry under Animal Infrastructure Development Fund:**

The Deputy Convenor informed the house that the scheme is being launched under the Aatmanirbhar Bharat Package. He advised all the bankers to publicize the scheme at the branch level.

**(Actions: All Member Banks)**

**27.4: Financing to Farmer Producer Companies/ Farmer Producer Organizations:**

The Convenor informed the house that banks have sanctioned 15 loans amounting to Rs. 3.35 crores as of 30.06.2024.

**27.5: Pradhan Mantri Fasal Bima Yojana (PMFBY):**

The Commissioner of the Agriculture Department, Government of Karnataka, informed that there are 1935 proposals amounting to Rs. 2.84 crores pending for settlement under the Pradhan Mantri Fasal Bima Yojana (PMFBY) due to NPCI payment failure and blank Aadhaar cards from different member banks.

The official from ICICI Bank informed the house that they are aware of the granular data of NPCI failure cases due to blank Aadhaar cases. He further informed that all the cases will be cleared at the earliest.

**(Actions: ICICI Bank)**

**27.6: Restructured Weather Based Crop Insurance Scheme:**

Under the Restructured Weather Based Crop Insurance Scheme (RWBCIS), a total of Rs. 61.43 crores are pending for settlement.

SLBC requests the Agriculture Department and Horticulture Department, Government of Karnataka, to advise insurance companies to settle the pending claims at the earliest.

**(Actions: Agri. Dept and Horti. Dept, GoK & All Member Bank)**

**AGENDA ITEM NO. - 28**

**PMAY-U: Rajiv Gandhi Housing Corporation Limited:**

The Convenor informed the house that the department confirmed that only 3390 houses are ready/ nearing completion and only those are to be prioritized. As such, bankers will be able to finance only those houses.

SLBC requested the department to provide the complete list of eligible beneficiaries for onward submission to member banks where project work is completed.

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



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**AGENDA ITEM NO. - 29**

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

**29.1: PMEGP performance as on 30.06.2024:**

The convener requested member banks to clear the pending applications under the PMEGP scheme, which will help generate more job opportunities for unemployed youth in the state.

**(Action: All Member banks)**

**29.2 CREDIT FLOW TO MINORITY COMMUNITIES:**

**Agenda 29.2.1: Progress under finance to Minority Communities in the state:**

The convener informed the house that outstanding loans to minority communities were Rs. 47,661 crores as of 30.06.2024, which is 10% of the total PSA.

SLBC requested all member banks to achieve the mandatory requirements under PSA lending to weaker sections in their ACP targets during FY 2024-25 by sanctioning maximum loans to the minority community in the Karnataka state.

**(Action: All Member Banks, LDMS & Minority Development Corporation-GoK)**

**Agenda 29.2.2: Progress under finance to Minority Communities in the identified districts of state:**

SLBC requested the Lead District Managers of Bidar (SBI), Kalaburagi (SBI) districts, and Dakshina Kannada District (Canara Bank) to advise branches for more credit to minority communities for the FY 2024-25.

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

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

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

The Convenor informed the house that the credit linkage to SHGs during the financial year 2024-25 was Rs. 2562.00 crores.

Further, he requested the member banks to ensure credit linkage for all eligible SHG accounts in the state.

**(Action: All Member Banks)**

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

The Convenor informed the house that the total outstanding under JLGs as of June 30, 2024, was Rs. 18368.00 crores and also requested member banks to focus on achieving the allocated targets.



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

**29.4: Progress in Stand Up India (SUI) scheme as on 30.06.2024**

The Convenor brought to the notice of the house that, as of June 2024, banks had sanctioned an amount of Rs. 55 crores under the Stand Up India Scheme.

The Convenor requested the MSME department, SC/ST corporation, KVIC, and DICCC to source the maximum number of applications to achieve the set target.

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

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

The Convenor informed the house that member banks had sanctioned 927510 MUDRA loan accounts amounting to Rs. 8645 crores from April 1, 2024, to June 30, 2024.

The Convenor informed that the state of Karnataka had secured the 2nd position regarding MUDRA loan sanctions and disbursements in the country with the active participation of all member banks and support from the line department.

**(Action: All member Banks)**

**29.6 Progress under PMFME scheme:**

Chief Secretary, GoK instructed all the banks to sanction all the loans and clear the pendency under sanction and disbursement on an urgent basis. Further, the chairperson informed that a simplified application along with a checklist should be formed to reduce the turnaround time.

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

**29.7: Progress under Aadhar seeding in PMJDY a/cs:**

Convenor informed the house that 77.00% of PMJDY accounts are Aadhaar seeded as of 30.06.2024.

There is a decrease of 7,81,850 PMJDY Aadhaar seeding accounts, mainly due to Union Bank of India and Punjab National Bank.

Union Bank of India has decreased 5,78,847 accounts. UBI has informed that due to a change in logic while extracting data from the central office, they uploaded 8,35,695 instead of 14,23,555 and have now rectified the same.

PNB has informed that they erroneously uploaded 1,84,891 instead of 2,30,329 Aadhaar seeding accounts and have now rectified the same.

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





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**29.8: Performance by Banks under Annual Atal Pension Yojana (APY) Targets during FY 2024-25: (from 01.04.2024 to 30.06.2024)**

The Convenor informed the house that Karnataka State has achieved 23% of the APY target set by PFRDA during FY 2024-25 as of 30.06.2024, and the performance of the banks is not up to the mark. Banks must enroll maximum applications under APY on a war footing basis.

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

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

SLBC has received the communication from DFS regarding the performance review of the Central Sector Interest Subsidy (CSIS) scheme. Under this scheme, interest subsidy is given during the moratorium period (course period plus one year) on education loans taken from scheduled banks by students belonging to economically weaker sections whose annual parental income from all sources is up to Rs. 4.5 lakh.

The Convenor requested all member banks to provide the eligible account list for review purposes.

**(Action: All Member Banks)**

**AGENDA ITEM NO. - 30**

**Review of Financial Inclusion Initiatives, Expansion of Banking Network and Financial Literacy:**

The Deputy Convenor informed that as per the Jan Dhan Darshak portal, as on June 2024, there are no unbanked villages without any branch, BC or IPPB within a radius of 5 km.

**AGENDA ITEM NO. - 31**

**Branch Network :**

The Convenor informed that the number of bank branches has increased from 12,261 as of March 31, 2024, to 12,310 as of June 30, 2024, showing an increase of 49 branches on a quarter-on-quarter basis.

**AGENDA ITEM NO. - 32**

**Status of Rural Bank Branch closure/merger/relocation:**

The Convenor informed that SLBC has not received any requests from LDMs.

**AGENDA ITEM NO. - 33**

**ATM Network:**



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The Convenor informed the house that the total number of ATMs as of June 30, 2024, was 16,705 against 17,062 as of March 31, 2024, showing a decrease of 357 ATMs.

**AGENDA ITEM NO. - 34**

**Progress under Aadhar seeding of operative CASA accounts:**

The Convenor informed that the percentage of Aadhar seeding was 90% as of June 30, 2024.

Furthermore, the Convenor requested all member banks and LDMs to sensitize their branches and also make arrangements for further improving Aadhar seeding to facilitate more and more Aadhar-based online DBT credits and popularize digital banking.

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

**AGENDA ITEM NO. - 35**

**Position of Sector Wise NPAs.**

**35.1: Non-Performing assets position as on 30.06.2024:**

The Convenor informed the house that the total non-performing assets as of June 30, 2024, were 54,179.00 crores.

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

The Convenor informed the house that the NPA share under PMEGP was 21%, and the Chief Secretary, GoK, requested the concerned departments to extend necessary support to banks for recovery as the NPA percentage is very high in this scheme.

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

**AGENDA ITEM NO. - 36**

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

The Convenor informed that LDM Ramanagara has raised an issue related to UCO Bank not appointing new BCs in Doddalahalli and Kodihalli. SLBC requested UCO Bank to appoint BCs in the said locations immediately.

**(Action: UCO Bank)**

**AGENDA ITEM NO. - 37**

**Sub Committee meetings held during the review period:**

The Convenor informed the house that the sub-committees on the Weaker Section (State Bank of India) for September, December 2023, and March 2024, Security (State Bank of



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India) for December 2023 and March 2024, and Retail (Bank of Baroda) for December 2023 and March 2024 were not conducted by the Convenor bank.

The chairperson requested the member Convenor bank to conduct the above meetings immediately and share the minutes.

**(Action: SBI, BOB)**

**AGENDA ITEM NO. - 38**

**Other Issues:**

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

The Convenor requested all member banks and LDMs to ensure that:

- 1) The availability of account opening forms, loan applications, challans, etc., should be in the Kannada language in all branches.
- 2) The use of the Kannada language in bank ATMs, BNAs, signboards, letterheads, bank/branch seals, and in RSETIs/RUDSETIs and FLCs.

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

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

The Convenor informed that the total number of calls received at the Helpdesk from April 2024 to June 2024 was 2920.

All member banks are requested to popularize this 180042597777 Toll-Free Number among their customers.

The Chairperson informed the house that wider publicity of the Toll-Free Number would be given in all bank branches of the state in a bilingual format. He also requested SLBC to provide analytics for the Toll-Free Number.

The Executive Director of Canara Bank directed SLBC to have a shorter Toll-Free Number.

**(Action: All Banks)**

**38.3: Status of RSETIs / RUDSETIs as on 30.06.2024 reported by sponsor Banks is as under:**

The Convenor informed the house that, as of June 30, 2024, a total of 305 training programs had been conducted against the target of 1027.

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

The Convenor informed the house that the number of trained persons was 8,569, and out of these, 156 were credit-linked during the financial year 2024-25.

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



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**AGENDA ITEM NO. - 39**

**Success Stories:**

The Deputy Convenor informed the house that Smt. Mahadevi Choudaki and Mr. Naveena Gopalappa Harijana received training from RUDSETI, Dharwad, and RUDSETI, Chitradurga, respectively, and they have successfully started entrepreneurships in a computer training center and a photo studio. Both received financial assistance from Canara Bank and Karnataka Vikas Grameen Bank, respectively.

**TABLE AGENDA**

The joint director, WCD, informed the house that around 1.82 lakh beneficiaries were not receiving the Gruhalakshmi scheme benefits due to e-KYC failure, inoperative Aadhaar-linked bank accounts, NPCI mapping failure, etc.

SLBC requested the department to provide granular data for onward submission to member banks to resolve the issue.

The chief secretary, GoK, instructed all the banks to activate the beneficiary accounts in a campaign mode.

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**SLBC – KARNATAKA**

**LIST OF PARTICIPANTS  
166<sup>th</sup> SLBC Meeting held on 14.08.2024**

Sl. No.	Name Shriyuths -	Designation	Organization
1	Dr. Shalini Rajneesh	Chief Secretary	Govt of Karnataka
2	Smt Sonali Sen Gupta	Regional Director	RBI
3	Shri Bhavendra Kumar	Executive Director	Canara Bank
4	Dr. Vishal R	Secretary to Govt. FD (Fiscal Reforms)	Govt of Karnataka
5	Shri. P C Dash	General Manager	NABARD
6	Shri K J Srikanth	Convenor	SLBC-Karnataka
7	Shri Bhaskara Chakravarthy M	Deputy Convenor	SLBC-Karnataka
8	Shri V Hari Prasad	Deputy General Manager	RBI
9	Shri. Sanjay Kumar	Deputy General Manager	NABARD
10	Shri B Parshwanath	DGM SLBC	Canara Bank
11	Smt. P.I Shreevidya	Mission Director	NLM, GoK
12	Smt. M G Paly	PD Stree Shakthi	DWCD, GoK
<b>CONVENOR – Canara Bank</b>			
13	Pradeep Kumar H	Divisional Manager	Canara Bank
14	Amol R Akolkar	Manager - SLBC	Canara Bank
15	Vidya	Manager – SLBC	Canara Bank
16	Chethan K S	Manager	Canara Bank
17	Vikas Thakur	Manager	Canara Bank
18	Harsha	Manager	Canara Bank
19	Akhil R	Manager	Canara Bank
<b>MEMBER BANKS AND STATE GOVT DEPARTMENTS</b>			
20	V N Sharma	General Manager	State Bank of India
21	Pramod Saraff	Deputy General Manager	Canara Bank
22	Sumana Dasgupta	Deputy General Manager	State Bank of India
23	Bubul Bardoloi	Assistant General Manager	RBI
24	C.V Sudheer	Assistant General Manager	Union Bank of India
25	Manoj K Sinha	Assistant General Manager	Bank of Baroda
26	M S Bhat	Assistant General Manager	State Bank of India
27	Savitha R	Divisional Manager	Canara Bank
28	Venkata Anil	State Controller	HDFC Bank
29	Nagaraj S	Deputy General Manager	ICICI Bank
30	Vasanth Kumar	Deputy General Manager	Karnataka Bank
31	Sunil Kurthkoti	Financial Advisor	GoK
32	All member banks , all state Govt departments & LDMs	Through VC	





STATE LEVEL BANKERS' COMMITTEE: KARNATAKA  
CONVENOR: CANARA BANK



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