

# **STATE LEVEL BANKERS' COMMITTEE KARNATAKA**

## **PROCEEDINGS OF THE 147<sup>TH</sup> SLBC MEETING HELD ON 28.11.2019**

**CONFERENCE HALL, NO.334  
III FLOOR, VIDHANA SOUDHA  
BENGALURU – 560001**

### **CONVENOR**



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**STATE LEVEL BANKERS' COMMITTEE:KARNATAKA**  
**CONVENOR: SYNDICATE BANK : CORPORATE OFFICE:BENGALURU**  
**MINUTES OF THE 147<sup>TH</sup> MEETING OF SLBC HELD ON 28.11.2019**

The 147<sup>th</sup> SLBC meeting was held on 28.11.2019 at the meeting Hall, Vidhana Soudha, Bengaluru under the Chairmanship of Shri.T.M.VijayaBhaskar, Chief Secretary, GoK.

**Shri.Nageshwara Rao Y, Executive Director of SyndicateBank** extended warm and hearty welcome to Shri.T.M.Vijay Bhaskar, Chief Secretary, GoK, Smt. Vandita Sharma, ASC & DC, GoK, Shri. Jose. K. Katoor, RD, RBI, Shri. P V S Suryakumar, CGM, NABARD.

He also extended cordial welcome to Addl. Chief Secretaries, Principal Secretaries and Secretaries of GoK, Senior Executives from RBI, NABARD, Senior Officers from the State Govt, representing various Line Departments, Corporations and Boards, Senior Executives from Commercial Banks, Co-op. Banks, Chairmen of Grameena Banks, the representatives from the Post Master General's office, Officials from SIDBI, other Financial Institutions, NPCI, UIDAI, LIC of India&General Insurance Companies, NGOs & other participants present in the meeting.

The ED, in his keynote address touched upon the various agenda items slated for discussion in the house.

With regard to achievement under ACP of the state, priority Sector lending, he informed that the disbursements under Agricultural Advances Banks in the state have disbursed Rs.25,919 Crore under Agri-Short Term loans registering 35.60% achievement in the September quarter 2019 of the FY 2019-20. The achievement under disbursement of term loans at Rs.14,201 Crore registering an achievement of 33.71% during September quarter 2019 of the FY 2019-20. Further he informed that the disbursement under total agriculture during September quarter 2019 is Rs.40,120 Crore registering an achievement of 34.91%. Under disbursement of total PSA in the State during the September quarter 2019 of the FY 2019-20 was Rs. 90,465 Crore registering an achievement of 42.57%. He requested all the bankers to step up lending in all the activities to tide over the present difficult situations experienced by farmers/customers of the state.

Regarding the enrolments under Prime Minister FasalBhimaYojana and Rabi Weather Based Crop Insurance, he drew the attention to the claim reimbursement demands by the GoK for delayed remittances of crop insurance premiums and took the opportunity to request all bankers here to adhere strictly the norms on remitting of crop insurance premium to insurance companies well within the cut off date in view of large scale of claims being rejected and the inevitable litigation that arises from such rejected claims.

He also informed that the special SLBC was conducted for flood affected farmers on 30.08.2019 to provide relief and restructuring of loans to farmers in flood affected districts. As per special steering committee held on 17.10.2019, SLBC has taken a decision on rate of interest @9% on restructured loans upto Rs3.00 Lac per farmer, recommending to Gol for interest subvention of 3 years as against one year and cut off date for restructuring of loans being 19<sup>th</sup> September 2019, being the date of

notification by State Government. These measures go a long way in mitigating the sufferings of the flood affected people in the state of Karnataka. He drew the attention to the fact that other MSME, Housing loans and SSI loans are also recommended for restructuring thereby giving required relief to all sections of society.

The Indian Postal Payment Bank, Suryoday Small Finance Bank Ltd, ECGC Ltd and Airtel Payments Bank have requested for membership of SLBC and he welcomed these new members to SLBC Karnataka.

He concluded his keynote address by requesting all the member banks, Officials of line departments of Central & State Government and other participants to actively deliberate on the agenda items and make meeting a grand success.

**Shri. T.M. Vijay Bhaskar, Chief Secretary, GoK** in his address said that the present meeting is to review the six month review of annual credit plan 2019-20 and other issues concerned.

The Chief Secretary commended that in terms of overall achievement under the annual credit plan, banks have achieved 67.38% which is encouraging. Performance under MSME is also very encouraging though there is reduction in the MSME outstanding. He said, the matter of concern in achievement was under agriculture loans at 34.91% of the annual target. In view of the record flood in many parts of the state, he thanked Reserve Bank of India for giving guidelines on restructuring of loans to the flood affected people and thanked SLBC for conveying the same to all bankers. He requested bankers to rephrase/restructure the existing eligible crop loans and term loans and also to step up the sanction of loans in the flood affected areas on priority basis, especially fresh crop loans to enable farmers to restart agricultural operations. He stressed on low performance under housing and education loans and informed that the achievement under housing finance is only 9% and around 14% in education loans. He urged the Chairman SLBC subcommittee on retail loans to monitor this more closely to formulate a strategy to increase the performance under housing and educational loans as the Government of India has a target of housing for all by 2022 and in the state the major thrust is given towards credit linked subsidy schemes.

The Chief Secretary thanked banking fraternity for excellent co-operation and progress achieved in the implementation of Crop Loan Waiver Scheme. Crop loan waiver releases made so far has touched 8.78 lakh accounts involving an amount of Rs 6139 crores, being credited to farmers' accounts in commercial banks. He said Government intends to waive all eligible loans under the scheme within a short time under this scheme to complete the CLWS at the earliest.

Further the Chief Secretary said, there are 1,13,168 loan accounts where ration card / Aadhaar / survey numbers are not collected by bankers and entered in the CLWS portal and the data of such loans already provided by the State revenue department to Banks. He suggested the banks may send SMS and written communication to such farmers apart from contacting such farmers once again and update details in CLWS software. He said, Banker's co-operation is essential in completing the process of submission of all pending cases / claims before 31.12.2019.

He stressed on the need to complete 100% Farmers Self Declarations by all Banks and still 15,374 FSDs (Farmers Self Declarations) are pending at branches. He urged the Bankers to complete this process before 31.12.2019.

He informed that 9 Banks (detailed in agenda 9.4 on page 30) have not communicated the approval from their Boards on settlement of NPA accounts under CLWS. He advised them to communicate the approvals to SLBC & implementing department without further delay. He requested banks to adopt soft approach in recovery of agricultural loans, restrain from adopting harsh recovery measures stating that State Government desires Bankers' fraternity to respond to the problems faced by farmers sympathetically and support them without hurting the farmers at this hour of crisis.

The Chief Secretary expressed his concern over the decline of CD ratio in the state for the first time and he told Bankers to analyse the reasons for steep decline of 5.25% over March 2019 & 3.93% decline Y-O-Y and initiate immediate steps to reverse the trend observed atleast during the present December quarter. He advised Andhra Bank, Union Bank of India, Karnataka Bank and Tamilnadu Mercantile Bank with low CD ratios to take immediate steps to increase the CD ratio to above 60%. He also requested all the Banks operating in the Districts of Udupi, Uttara Kannada & Dakshina Kannada to bestow personal attention to push credit growth apart from critical review of the CD Ratio at all DCC / DLRC Meetings.

Speaking on rural branches he said Rural development department gave the list of Gram Panchayaths not having branch or ATM or BC or any of banking facility and he requested bankers to cover all GP headquarters with any of the banking facility depending on the convenience of sponsoring branch. Speaking on the closure of branches of banks he told bankers to follow the RBI guidelines especially during the closure of rural branches. He sought bankers' cooperation for use of National common mobility cards in metros and BMTC and other places. And he requested SLBC to chalk out a strategy for successful implementation of NCMC.

The Chief Secretary expressed his concern regarding coverage of only 11.85% of loanees under PMFBY and advised SLBC to find reasons for less coverage and he insisted on covering 100 percent loanee farmers who availed loans for notified crops.

The Chief Secretary reiterated the need for strict implementation of tri-lingual formula as per Kannada Abhivruddhi Pradhikara guidelines by all Banks in the State. He emphasized all challans, deposit receipts, cheques, receipts, pass books, loan applications, demand drafts, account opening forms, loan documents, notices, and all other customer related documents & letters need to be invariably in Kannada language also. He expressed that Banks websites & internet banking should be enabled in Kannada language. He expressed concern on instances of public agitation against Rural Branch Managers for not transacting in kannada are becoming more frequent. He advised all Banks to ensure that the Non-Kannada Officials in the state are trained well so that they can transact in Kannada with customers, as such a move will usher in better customer relationship & sound business development for the bank as well.

Reviewing the performance of achievement of targets under Government sponsored schemes, he instructed all state line departments to sponsor applications to banks at the earliest to enable bankers to process and sanction loans to achieve desired targets. He concluded his address exhorting the bankers to strive achieving the ACP targets so that CD ratio will be improved.

**Smt. Vandita Sharma, ACS & DC, GoK**, in her speech thanked the bankers for taking up restructuring of loans in a big way for the affected farmers of the state and stressed that a little more progress is required about the restructuring of loans. Referring to her communication with SLBC on charging rate of interest on restructured accounts, she expressed that SLBC has already communicated the guidelines to banks and hoped that loan interest should not cross 9% so that farmers get the benefit of interest subvention. She also requested the bankers for soft approach towards recovery of loans, as the State is affected with drought in previous years, followed by floods this year. She also emphasized that SSI and MSME borrowers are also affected by floods as their entire machinery and other items were washed away in these floods and requested banking community to give some attention to restructuring of loans to MSME/SSI sector also.

Speaking on the coverage of crop insurance scheme for loanee farmers, she informed that progress on coverage of crop insurance scheme is not satisfactory and requested the banks to concentrate more on coverage of crops. She advised the bankers to access all information regarding notification of crops etc. from the Commissioner Agriculture. She stressed that the crop loan waiver scheme is almost over but all the pending issues to be resolved soon without any time lag.

Regarding sanctioning of loans under different schemes and while reviewing with departments, especially MSME, Pashu Bhagya scheme, she expressed that banks are not coming forward to give these loans which is not desirable. She requested for banks cooperation for sanctioning of loans in different schemes, PMEGP etc. and appreciated that progress under NRLM scheme is good.

Finally she requested the banks in the house on saturating the KCC accounts with Kissan Credit cards and also advised the Commissioner, Agriculture department to share the data of 52 lakhs farmers of the state on this aspect.

**Shri. Jose. K. Kattoor, RD, RBI** in his address highlighted the important developments from the RBI side and the same is given herebelow.

**Quote “**

I would like to highlight some of the important developments from the RBI side that have taken place after the last SLBC meeting.

1. **Natural Calamities:** The state had the misfortune of a series of natural calamities like floods and droughts during 2019. We from the RBI along with SLBC conducted a special SLBC meeting advising all the banks to do their best to ameliorate the plight of the affected people by initiating necessary steps like, keeping the ATMs in the affected areas filled with cash, keeping branches open on holidays, reaching out to people through mobile ATMs and BCs. Banks have also restructured loans of the affected people as per our instructions in this regard. 72,770 Loans accounts amounting to Rs.1405.07 crore were restructured as against



83,577 loan accounts eligible for the same. In addition, fresh loans to the tune of Rs.2965.52 crore sanctioned during the July- September quarter in the affected areas. SLBC and all the banks may rework the list of eligible borrowers and cover all of them with relief.

2. **MSME:**As you already know, RBI has permitted a one-time restructuring of existing loans to MSMEs classified as 'standard' without a downgrade in the asset classification, subject to certain conditions. I advise all the banks to ensure that restructuring of the borrower accounts is implemented on or before March 31, 2020. We also had one to one meeting with some banks to boost their performance in MSME and achievement of targets under PM's task force. (Canara, Karnataka, BoB)

3. **Provision of banking services in villages having population more than 5000:** We had convened a meeting of bankers on May 30, 2019 at our office, to assess the latest position regarding provision of banking services in villages having population more than 5000. We have been following up with all the concerned banks to ensure that the remaining villages are provided with banking outlets. It is observed that out of 46 villages that were pending as on the date of the meeting, 34 villages are now covered by BC outlet and the remaining 12 villages are yet to be provided with banking outlets. All the concerned banks are advised to ensure that these 12 villages are provided with banking outlet without any further loss of time.

4. It is understood that SLBC has a balance amount of Rs.35 lakhs out of CSR funds collected from various banks. I believe SLBC would utilise the same to support public awareness initiatives like display of financial awareness posters on buses, etc.

5. I would like to recap some of the circulars issued since 145<sup>th</sup> SLBC meeting held on June 26, 2019 -

i) In order to provide short-term loans upto ₹2 lakh to farmers involved in activities related to Animal Husbandry and Fisheries, a separate KCC scheme, at a concessional interest rate of 7% per annum during the years 2018-19 and 2019-20, with interest subvention of 2% per annum has be introduced.

ii) In order to boost **credit to export** sector, it has been decided to enhance the sanctioned limit for classification of export credit under PSL from Rs. 25 crore to Rs. 40 crore per borrower

iii) It is clarified that banks shall not charge foreclosure charges/ pre-payment penalties on any floating rate term loan sanctioned, for purposes other than business, to individual borrowers with or without co-obligant.

iv) In order to boost credit to the needy segment of borrowers, it has been decided that bank credit to registered NBFCs (other than MFIs) for on-lending will be eligible for classification as priority sector under respective categories subject to certain conditions.

v) In order to increase the availability of the RTGS system, it has been decided to extend the operating hours of RTGS and commence operations for customers and banks from 7:00 am instead of 8.00 am.

vi) It is hereby clarified that transactions which fail on account of technical reasons like hardware, software, communication issues, non-availability of currency notes in the ATM and other declines ascribable directly / wholly to the bank / service provider, invalid PIN / validations, etc., shall not be counted as valid ATM transactions for the customer. Consequently, no charges therefor shall be levied.

Non-cash withdrawal transactions (such as balance enquiry, cheque book request, payment of taxes, funds transfer, etc.), which constitute 'on-us' transactions (i.e., when a card is used at an ATM of the bank which has issued the card) shall also not be part of the number of free ATM transactions.

vii) In the interest of better customer service, it has been decided to make certain changes in the facilities associated with the BSBD account. Banks are now advised to offer additional features as indicated in our circular.

6. On November 04, 2019, the Reserve Bank has announced the opening of first cohort under the Regulatory Sandbox with 'Retail Payments', as its theme. The adoption of 'Retail Payments' as the theme is expected to spur innovation in digital payments space and help in offering payment services to the unserved and underserved segment of the population. Migration to digital modes of making a payment can obviate some of the costs associated with a cash economy and can give customers a friction-free experience. The innovative products/services which, among others, shall be considered for inclusion under RS are—

- Mobile payments,
- Offline payment solutions and
- Contactless payments

I Hope the industry will take advantage of the 'Regulatory Sandbox' and come out with innovative products and schemes that would hasten our efforts towards 100% digital banking.

**7. Deepening of digital Payments:** As per the recommendations of the High-Level Committee on Deepening of Digital Payments (CDDP) set up by RBI under the chairmanship of Shri Nandan Nilekani, I understand, SLBC has constituted a sub-committee on digital payments. Since Raichur district is identified for the purpose, I suggest, SLBC and all the bankers operating in the district take measures to make the district 100% digitally enabled within one year and SLBC may submit a report on the progress made in this regard to FIDD, RBI, on a regular basis while also reviewing the progress in this regard in the SLBC meetings.

8. DCC and DLRC are important coordinating fora among commercial banks, Government agencies and others at district level to review and find solutions to problems hindering the developmental activities. Therefore, it is necessary that all members participate and deliberate in the above meetings. On a review of the DCC / DLRC meetings, it was observed that sudden cancellation and postponement of meetings hinder participation of members in these meetings causing avoidable hardship to all. Lead banks have, therefore, been advised to abide by the annual schedule of DCC and DLRC meetings prepared in consultation with the Chairperson of the meetings, lead district officer of RBI and Public Representatives in case of DLRC **and not resort to last minute changes in the date of meetings**. It should also be seen that DCC and DLRC meetings are not held simultaneously and separate agenda and minutes for the two meetings are prepared and sent to all the members.

9. **Launch of BC Portal:** Soft launch of BC portal was done in February 2018 to enable banks to upload the details of their BCs. As a critical number of BCs have been uploaded by the banks, BC registry portal, [www.bcregistry.org.in](http://www.bcregistry.org.in) has been

made live and available for public by IBA on July 30, 2019. The Portal seeks to provide a Centralized Repository of relevant information on BCs which captures the basic details including location of BCs, nature of operations, qualifications, blacklisting of BCs etc. Portal enables members of public to find the necessary details of BCs in their vicinity to avail financial facilities by using BC Tracker Facility. **Banks need to disseminate the information about the portal through their branches.** Banks are required to continue uploading the details of BCs and update the data on a real time basis and submit a report to IBA that the information in the BC registry is updated and correct.

**10. Revamp of Lead Bank Scheme – Developing a standardised system of data flow and management:** It is contemplated that SLBC Convenor bank will ensure that their website/web portal has a provision for uploading periodical data in approved format by controlling office of each bank and each Banks' controlling office at state level will upload the CBS extracted data in SLBC portal of that state. SLBC should ensure that the migration to the new data flow and management system is completed before December 2019.

**11. Last mile Connectivity:** Banking Correspondents, being last mile connectivity points for delivering banking services and products to end users located in remote villages, play a vital role in our endeavour towards financial inclusion. Provision of uninterrupted service by this channel is very important for the industry as also for the survival and growth of the model. It is observed that some BCs operating from remote and hilly locations, such as Kodagu, South Canara and North Canara districts face poor telecommunication connectivity and frequent disruption in connectivity, resulting in inadequate growth in business volume of BCs. In the last SLBC meeting I had advised all the banks to undertake a study in this regard and share the list of BC locations facing such problems with SLBC who may take up the issue with service providers for resolution of the same. I Hope there has been sufficient progress in this regard.

**12.** A NAMCABS workshop was held on September 19 and 20, 2019 at Mysore and on November 20 and 21, 2019 at Udupi. Apart from NAMCABS, RBI also conducts Town Hall Meetings all over the state every quarter

- (i) to create awareness of banking facilities amongst entrepreneurs.
- (ii) link unbanked entrepreneurs to the formal banking system and
- (iii) create a platform for a two way communication amongst stakeholders.

I urge all the bankers to continue our efforts for better credit flow to this sector.

**“ Unquote.**

**Shri. P V S Suryakumar, CGM, NABARD** addressed the House and made a presentation on findings of the thesis submitted by four students from University of Agricultural Sciences, Bengaluru under the novel project 'GrameenChintan' supported by NABARD. The students had completed their thesis work on

- 1) Economic viability of Farm households in Central and Southern dry zones of Karnataka
- 2) Evaluation of Farmers Producers Organisation (FPO) in Karnataka
- 3) E-trading through Rashtriya Electronic Market Services (ReMS) in Karnataka



4) Performance evaluation of major agricultural commodities trading under Unified Market Platform (UMP) – An economic analysis at APMC, Raichur

He presented the results after summarizing the reports/Thesis. He expressed that considerable awareness is required for farmers regarding promotion of programmes of government and banks, few are benefitted by MGNREGA. He told that income from crops is not sufficient to meet consumption requirements of farm households. On utilization of excess money with farmers, the small farmers invested their surplus in livestock, where as big farmers invested their surplus in agricultural machinery. The students and professors who coordinated the work for this idea were honoured with certificates by Chief Secretary, GoK.

CGM NABARD informed the house on the need to advocate for change in cropping patterns so that the water which is scarce is used properly in many parts of the state. He expressed that people still have considerable hope on FPOs, and lot of work needs to be done on this. Elaborating on FPOs, as input purchase is happening, farmers are benefitted by way of improved arrivals, better price discovery and thereby creating an improved market. He informed the house that many farmers from other states like Telangana are bringing their produce to our markets, as they are able to find better price discovery and are getting benefited. He also opined that traders are more aware than our farmers, thereby pushing the farmers to some disadvantage. Stressing on the need to educate farmers better, he concluded that lack of technical staff, grading, assaying facilities & integration are withholding the power of e-Market which need to be looked into and improved upon.

Thereafter, regular Agenda was taken up for the deliberations by T.Manivannan, Convenor-SLBC & GM, Syndicate Bank.

**AGENDA 1.0: CONFIRMATION OF THE MINUTES OF 145<sup>th</sup> and 146<sup>th</sup> SLBC MEETING HELD ON 26.06.2019 AND 30.08.2019 RESPECTIVELY.**

The Minutes of 145<sup>th</sup> and 146<sup>th</sup> SLBC Meeting held on 26<sup>th</sup> June 2019 and 30<sup>th</sup> August 2019 were circulated to all the departments. The Minutes of the same were approved subject to the amendment done for both the proceedings as suggested by RBI.

**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 145<sup>th</sup> were taken note by the House, the details of which are as shown below.

- **Standardized system for direct flow of data from CBS of the member banks.**  
All standard data templates were sent to all LDCMs for their opinion. GM SLBC informed that after extensive discussions, the finalisation of vendor is in advanced stage. GM SLBC informed that SLBC has requested vendor to give one more presentation, for which SLBC will invite RBI, NABARD and others banks and after completing the process it will be known how the data flow is happening and then order will be finalised with Vendor. He also informed that same vendor is attending this software project for several States SLBCs also.

- **Flow of Credit to CLSS Pradhan Mantri Awas Yojana (PMAY-Housing for All 2022).**

Special review meeting on PMAY were also conducted by Chief Secretary at periodical intervals. The department again expressed that the dispersal of loans under CLSS is very poor, nodal agencies are not releasing interest subsidy, Government released new portal (CLAP) for CLSS and banks & beneficiaries can check the status. He requested the banks to give more thrust for PMAY and more cooperation for CLSS.

- **Opening of banking outlets in unbanked villages.**

In the old list we have only 6 locations/villages were pending, but recently SLBC has received a list of 209 locations from DFS for verification based on latitude and longitude position of the center beyond 5 KMs of the village center with minimum banking services. After contacting all the bankers, it is informed that 85 centres are now covered and 1 village is uninhabited (Kuderekanive in Chitradurga Dist) and in remaining 123 villages banks are requested to cover. GM SLBC requested the Banks to followup very vigorously and requested to send confirmation mail and complete the task on or before 10.12.2019.

**(Action : BoB, BoM, Canara Bank, India Post payment bank, Karnataka Bank Ltd., KVGB, KAGB, SBI, Syndicatebank, UCO Bank, UBI Banks)**

- **Opening of Branches in "Aspirational Districts"**

GM: SLBC informed the House that, Syndicate Bank and Canara Bank have already opened Brick and Mortar branch in centres allotted to them. SBI has informed that they have initiated the process of opening of branch. The GM SLBC requested Karnataka Gramina Bank to open the branch at the earliest. The chairman KGB expressed difficulty in getting premises in Honagera of Yadgir block, then the CS suggested to contact respective DC to resolve the issue.

**(Action : KAGB, SBI Banks)**

### **AGENDA-3: BANKING STATISTICS AS OF SEPTEMBER 2019**

#### **3 (a): Business Figures Under Various Parameters:**

The GM, SLBC presented the Banking Statistics on Deposits, Advances, CD Ratio, total PSA, Advances to MSE/ Agriculture/ Weaker Section in the State of Karnataka as on September 2019. He observed that the CD ratio is coming down as -3.93 % YOY and it is because of one bank (UBI) reporting wrong data in March 2019. RBI RD requested to monitor CD ratio closely, be reviewed in sub-committee level also. GM SLBC informed that because of drought and floods, CD Ratio is affected this year, and it may pick up by Quarter of December 2019.

- There is a Y-o-Y growth of 13.95% in deposits and 8.21% in advances as on September 2019 over September 2018.
- The CD ratio of the state has decreased by 3.93% as on September 2019 as compared to September 2018 quarter.
- The level of PSA in the State has increased from Rs. 2,62,529 Crores as on 30.09.2018 to Rs. 2,70,788 Crores as on 30.09.2019 showing an absolute growth of Rs. 8,259 Crores and percentage growth of 3.15% on Y-O-Y basis. However as

on March 2019 comparison, there is a decrease of Rs. 22955 crore due to reduced lending due to natural calamities.

- Agricultural advances have increased from Rs.1,23,267 Crores as on 30.09.2018 to Rs.1,27,572 Crores as on 30.09.2019, showing an increase of Rs. 4,305 Crores. In comparison to March 2019, there is a reduction of Rs. 2341 crore.
- The outstanding level under MSME have decreased by Rs. 265 Crore from Rs. 92,340 Crore as on 30.09.2018 to Rs. 92,075 Crore as on 30.09.2019.
- The Weaker Section Advances have shown decrement from Rs. 98,342 Crore as on 30.09.2018 to Rs. 96,698 Crore as on 30.09.2019 showing a decrease of Rs.1,644 Crore (1.67%).
- This is mainly due to decrease in weaker section advances in SBI. As per the data provided by SBI, the weaker section advances has shown a reduction of Rs.5,704 Crore as on 30.09.2019 over 31.03.2019.
- The Weaker Section advances level to the total advances in the State stands at 13.80% as on September 2019 which is above the mandatory level of 10%.

#### **AGENDA 4: REVIEW OF FINANCIAL INCLUSION INITIATIVES, EXPANSION OF BANKING NETWORK AND FINANCIAL LITERACY**

##### **4 (a): Branch Network:**

The GM SLBC informed the house that only after taking due permission rural branch can be closed. He instructed the LDCMs to take care on this aspect and without the permission of DCC or other competent committee, rural branches are not to be closed.

**(Action: All Banks)**

##### **4 (b): ATM Network:**

There is a net increase of 141 branches and 541 ATMs over 31.03.2019. SBI has closed ATMs in semi urban 626, Urban – 436. Rural ATMs position as on Sep 2018 is 2272. SBI has also shown increase in rural ATMs by 1026.

##### **4 (c): Status of opening of outlets in unbanked villages, CBS- enabled banking outlets in the unbanked rural centres (URCs) :**

GM informed the House that, as per the latest information, only 4 centres remain as uncovered villages in the state as against 609 villages originally identified and allocated to various banks. He requested the concerned banks to ensure opening of banking outlets immediately under information to SLBC.

Kotak Mahindra Bank informed SLBC that opening of branches in these 4 centres, required permission from their central office is obtained. The GM Convenor advised the bank to open the branches at the earliest in all the 4 pending locations viz., (1) Alagumole of Chamarajanagar District, (2) Karya village of Mysore district, (3) Kamankeri of BasavanaBagevaditaluk (4) Gornal village Indi taluk both of Vijayapura district.

The representative of Kotak Mahindra Bank informed the house that, their bank identified places but for other issues outlet opening is pending. The GM SLBC instructed Kotak Mahindra Bank to open banking outlets in allotted villages before 31.01.2019 without fail and send confirmation to SLBC.

(Action:Kotak Mahindra Bank)

**4 (d): Status of opening of Brick and mortar branches in villages having Population of 5000 & more:**

GM, SLBC informed the House that, from time to time, SLBC has been pursuing the member banks to open Brick and Mortar branches in all the villages having population of 5000 and more. However, still 11 villages having population of 5000 and more are pending for opening of bank branches. He also mentioned that as per RBI guidelines, opening of Brick and Mortar branches in all the villages with "5000 and above population" is mandatory. This point is repeatedly discussed in the SLBC meetings without full compliance, GM remarked and requested the bankers to comply with the GoI guidelines without further delay.

(Action:Karnataka Bank, IOB, PNB, UBI, BOB, BOM, UCO Bank, Federal and Axis Bank)

**4 (e): Review of operations of business correspondents–hurdles / issues Involved:**

GM informed the House that Out of 6258 BC locations, in 6137 locations the BCs are active and doing transactions through Micro ATMs. There are 121 locations where BCs are inactive which includes 42 locations wherein BCs have resigned. GM, SLBC requested the banks where BCs have resigned / inactive to initiate steps for making these centers full-fledged centers or appoint full-fledged BCs in resigned cases.

The RD RBI informed Banks to update details (Black listed/Inactive BC, all other details of BCsetc) in BC portal [www.bcregistry.org.in](http://www.bcregistry.org.in) so that foul-play/Mal-practice by BCs may be avoided and CS also requested the SLBC to report the details of, inactive BC for 30 days and Inactive BCs for 90 days by next SLBC. GM, SLBC requested the banks to update the BCs details in portal and report details of inactive BCs.

(Action: Banks &amp; SLBC)

**4 (f) : The bank wise details of inactive BCs and places where BCs have resigned are as under:**

SI	Name of the bank	Total No. of BC locations	No. of inactive BCs	No. of BCs resigned
1	SBI	1988	21	0
2	KarnatakaGrameena Bank	1300	0	17
3	Canara Bank	544	0	0
4	KVGB	543	5	0
6	Bank of Baroda	688	27	5
7	IOB	63	5	0

8	Union Bank of India	80	5	0
9	Kotak Mahindra Bank	68	10	0
10	Bank of Maharashtra	17	3	0
11	Karnataka Bank Ltd.	83	4	0
12	Andhra Bank	2	2	2
13	Indian Bank	22	2	0
14	PNB	15	8	0
15	Central Bank of India	34	1	0
16	Bank of India	74	28	18
17	All other Banks	737	0	0
	<b>Total</b>	<b>6258</b>	<b>121</b>	<b>42</b>

GM, SLBC requested the banks where BCs have resigned / inactive to initiate steps for making these centres as full-fledged centres.

**(Action- SBI, KGB, Canara, KVGB, BOB, IOB, Union Bank of India, Kotak Mahindra, BOI, BOM, Karnataka Bank Ltd., Andhra Bank, Indian Bank, PNB, CBI banks)**

#### **4 (g): Opening of branches in "Aspirational Districts":**

This issue has been dealt in detail in the Action Taken Report under Agenda-2.

#### **AGENDA 4 (h): Representations referred by the RBI and the CS in connection with opening of branches.**

Opening of Nationalized bank branch in Kottagalu village, Harohalli Hobli, Ramanagara Vidhanasabha Constituency and also in Koratikere village, Channagiritluk, Davanagere District

GM SLBC requested KGB to open a Bank branch in Kottagalu Village so that it can cover nearby villages and he also requested Canara Bank to explore the possibility of opening of Brick and Mortar branch in Koratikere village.

The KGB chairman informed that they have a branch 3 KM from Kottagalu village, hence opening a new branch is not viable. Canara Bank informed that the BC is already working in that particular location from last 10 years and Canara Bank already had one branch like Hebbalagere 6 KM from Kortikere branch.

GM, SLBC informed both the banks to send a detailed letter in this regard.

**(Action: KGB, Canara Bank)**

#### **4 (i) Issues related to connectivity:**

GM informed the House that the department of Telecommunications has confirmed that connectivity issues have been resolved in all the BC locations in the state. However, they have requested SLBC to refer to them the list of BC locations where connectivity issues are noticed so as to resolve the same at the earliest.



#### 4 (j,k,l,m,n,o): Status of rollout of Direct Benefit Transfer in the state. Aadhaar seeding and Authentication

##### 4 (i) : MGNREGA:

GM informed the House that as per the information provided by the dept, there are 68,89,677 **MGNREGA** workers' accounts in the state of which, 45,50,399 accounts have been converted into Aadhaar Based Payment which works out to 66.05% as on 16.08.2019. GM, SLBC requested banks and the concerned govt. officials to ensure that the remaining accounts are also converted into Aadhaar Based Payment accounts at the earliest and he has also requested the banks to keep the Aadhaar Enrolment Centre in an active status.

(Action: Concerned line Departments & Aadhaar Enrolment Center Banks)

##### 4 (m) : Social Security Pensions:

GM informed the House that the dept. has been informed that there are 60.77 lakh Social Security Pension beneficiaries in the State who receive pension through banks and post offices of which, 50.56 lakh beneficiaries are seeded with Aadhaar numbers. However, only 13.12 lakh beneficiaries are having bank accounts and drawing pensions through banks of which only 5.67 lakh accounts are mapped with NPCI as on 19.09.2019. The GoK has taken a decision to release the pensions only through DBT towards credit of Aadhaar seeded accounts. Hence, GM, SLBC requested all the member banks in the state to direct their branches to ensure opening of accounts of all the beneficiaries and to map with NPCI at the earliest.

##### 4 (n) : Progress under Aadhaar/Mobile seeding of operative CASA a/cs:

As on	No. of operative CASA A/cs	No. of CASA A/cs seeded with Aadhaar	% of Aadhaar seeding	No. of CASA A/cs Aadhaar authenticated	% CASA A/cs Aadhaar authenticated	No. of operative SB A/cs seeded with mobile No.	% of seeding
30.08.2019	769.42	668.76	86.92%	410.10	53.30%	671.06	87.66%

GM, SLBC informed the House that the Aadhaar authentication is 53.30 % as on 30.08.2019 and requested the member banks to complete the Aadhaar seeding, authentication process and mobile seeding process on top priority.

(Action: All Banks)

##### Seeding of student Aadhaar to bank accounts:

GM, SLBC requested the member banks to issue strict instructions to their branches to complete the Aadhaar seeding process on top priority to student accounts.

The ACS & DC advised all the banks to complete the exercise of Seeding/ Mapping of Student Accounts with NPCI urgently, So as to enable the GoK to release the scholarship amounts to the accounts of the students through DBT.

**(Action: All banks, LDCMs & e-governance dept.)**

**4 (o): Status of Aadhaar enrolment centres in banks in the state:**

UIDAI, Bangalore has informed that against the targeted number of 876 centres for Aadhaar enrolment, 706 centres are active for the last 30 days. GM, SLBC requested concerned banks to ensure activation of remaining centres.

**(Action: All the Aadhaar Enrolment Center Banks)**

**4 (p) : Review of inclusion of Financial Education in the School Curriculum,  
Financial literacy initiatives by banks (particularly digital financial literacy)**

GM informed the House that as per the RBI guidelines issued vide circular RBI/2015-16/286 FIDD.FLC.BC.No.18/12.01.018/2015-16 dated 14.01.2016, FLCs and rural branches of banks have to adopt a tailor made approach for different target groups Viz., farmers, Micro and Small Entrepreneurs, school children, SHGs, Senior citizens, etc. There should be adequate synchronization at the ground level between the different stakeholders viz. LDCM, DDM of NABARD, LDO of RBI, District and Local administration, Block level officials, NGOs, SHGs, BCs, Farmers' clubs, Panchayats, PACS, village level functionaries etc. during the conduct of financial literacy camps. He requested all the member banks to oversee the functioning of their sponsored FLCs and ensure that correct reports are submitted to SLBC. During FY 2019-20 6685 camps were conducted benefitting 607584 persons.

**(Action:All Banks, LDMs & FLCs)**

**4 (q): (i) Creating awareness about various schemes, subsidies, facilities e.g. Crop Insurance, renewable energyetc:**

GM, SLBC informed the House that in BLBC meetings, LDCMs are creating awareness on various schemes among all the member banks and they in turn give wide publicity for various govt. schemes, subsidy schemes and crop insurance benefits among the customers. The BCs and FLCs are playing a vital role in dissemination of information among the villagers on these schemes. GM, SLBC requested member banks to conduct extension programmes through their branches to give wide publicity to various schemes.

**(ii) Carrying out public awareness campaign on State Road Transport buses:**

GM: SLBC brought to the notice of the House with regard to the decision taken in the quarterly State Level Coordination Committee (SLCC) meeting to educate the investors/ public and cautioning them of fraudulent/illicit schemes through advertisements in the vernacular language by displaying on BMTC/ KSRTC Buses

and in Bus shelters across the State. Out of Rs.69.50 lakh contributed by various banks as discussed above, Rs.33.16 lakh was incurred for first stage campaign in four districts and the balance amount Rs.36.34 lakh (Rs.69.5 minus Rs.33.16) is remaining in CO: GAD admin account 04001140000034.

- With the above background GM, SLBC sought the approval of the House to carryout publicity campaign by putting publicity material on KSRTC buses .After detailed discussion, the House permitted SLBC to issue work orders, on the lines of the first stage in this regard.
- **As earlier assured**, if any royalty has to be paid by the service provider to KSRTC and if so, GoK will take up with KSRTC officials for waiver of the same.

(Action: All banks, LDMs, SLBC)

#### 4 (r): Progress under Social Security Schemes:

GM informed the House that the performance of banks in all the three social security schemes during the first two quarters of FY 2019-20 is satisfactory. However, keeping in view the potential available, GM, SLBC requested all the banks to give focused attention to extend the benefit of all these three social security schemes to all eligible people in their area of operation on a campaign mode. He also requested the banks to improve progress in PMSBY and PMJJBY as the progress is less.

(Action: All banks, LDMs)

#### 4 (s): Progress under PMJDY:

GM informed the House that there is an increase in the total number of RuPay cards activated from 60.14 Lakh as on 31.03.2019 to 63.97 Lakh as on 30.09.2019 and he also requested member banks to continue to popularise the RuPay cards.

(Action: All banks)

#### 4 (t): Progress in disbursements under MUDRA scheme:

GM informed the House that the number of entrepreneurs financed and also the amount financed under MUDRA scheme have shown good improvement during first two quarters of FY 2019-20. As members are aware, ***the Karnataka state has been the forerunner in implementation of MUDRA scheme at all India level*** and this time slipped to second position for Sep 2019, GM remarked. He also informed that there is a marginal decrease in disbursement in Shishu and Tarun segments, which is to be made up during December quarter. GM, SLBC thanked all member banks and the departments for this splendid achievement and ensure glory is regained as top performing state before Dec 2019.

(Action: All banks)

#### 4(u): Providing add-on services through Toll Free Desk for addressing Public Grievances Redressal of Flagship programmes like PMJDY, PMJJBY, PMSBY, APY, MUDRA and PMFBY:

GM brought to the notice of the House regarding the earlier directions of the DFS, MoF, GOI to SLBC Karnataka, for setting up of "Toll Free Desk" for addressing Public Grievances Redressal of Flagship programmes like PMJDY, PMJJBY, PMSBY, APY, MUDRA and PMFBY which came up for detailed discussion in the SLBC sub-committee meeting held.

- As agreed in 144th SLBC meeting, the contribution towards one-time capital expenditure and reserve for monthly revenue expenditure shall be equally shared by the banks having more than 100 branches in the state and all these 21 Banks shall contribute @ Rs.2.00 lakh each and transfer the amount to the account opened by the SLBC. The details of the account opened is already communicated by the SLBC to the member banks separately.
- Quarterly report covering (1) the functioning of the centre, (2) the expenditure incurred on call centre and (3) the operations in the account shall be placed as one of the agenda in the quarterly SLBC meetings for the information of the members.
- SLBC will circulate the details of the monthly expenditure incurred and paid to the vendor towards call centre operators, net and telephone bills and other misc expenditure, if any, immediately after payment of the same out of the funds contributed by 21 banks (Canara Bank, Corporation Bank, Syndicate Bank, State Bank of India, Bank of Baroda, Andhra Bank, Bank of India, Central Bank of India, Oriental Bank of Commerce, Indian Overseas Bank, Union Bank of India, Karnataka Bank, Kotak Mahindra Bank, Federal Bank, HDFC Bank, Axis Bank, ICICI Bank, Karnataka Grameena Bank and Karnataka Vikasa Grameena Bank) and request them to remit their contribution to the same account so that the "revenue expenditure reserve" will remain in the account at all times to ensure timely payment of monthly bills.
- Few banks have contributed to the Reserve Fund and request the other banks to contribute without delay. A separate letter is addressed to these banks on this issue.

**(Action: SLBC & major banks as outlined above)**

#### **AGENDA 5.0: REVIEW OF CREDIT DISBURSEMENT BY BANKS**

##### **5 (a): Achievement under ACP of the state, Priority Sector Lending**

GM SLBC presented a comparative analysis of disbursement up to the quarter ending Sep 2019 of FY 2019-20 vis-à-vis disbursements up to the quarter ending Mar 2019 of FY-2018-19.

- The banks have disbursed Rs.25919 Crore under Short Term loans registering 35.60% achievement to the Annual target. This needs improvement by December quarter. As such, banks are requested to ensure higher credit flow both under fresh and renewals of KCCs, GM remarked.
- The banks have disbursed Rs.14201 Crore under Agricultural Term loans registering 33.71% achievement to the Annual target. However, due to drought

like situation till July 2019, followed by wide spread natural disaster by floods in 22 districts, the growth is slowed down.

- The banks have disbursed Rs.42898Crore under MSME registering 79.33% achievement to the Annual target.
- Banks have shown poor performance under all other components of PSA viz., Education, Housing, Social Infrastructure and Renewable energy.

The Chief Secretary, GoK and GM, SLBC requested the banks for dispersal of agricultural and priority sector loans, so that the ACP can be achieved for the December 2019 quarter.

GM, NABARD stated that as against the agricultural loan target of ₹114938 Cr for the FY2019-20, the achievement of ₹40120 Cr (34.9%) is a cause for concern. He also stated that the major disbursements happen in the second quarter. Since the third quarter is nearing end, he requested the bankers to make efforts to increase the lending to Agriculture in the remaining months of the FY2019-20 and also requested the State Government to direct their departments to provide necessary support in increasing the lending.

**(Action: All banks)**

**5(b): Discussion on lending towards government sponsored schemes (DAY-NRLM, DAY-NULM, MUDRA, Stand-Up India, PMEGP, etc.) and impact of these schemes.**

GM informed the House that as per RBI guidelines, performance under Govt. sponsored schemes shall be discussed in the subcommittee meetings and the major observations shall be brought to the main SLBC besides circulating the proceedings of sub-committee meeting along with Action points to all member banks and line departments. He observed that, still in many of the schemes, sponsoring of applications is not upto the expected level and requested the line departments to sponsor the applications immediately to avoid bunching of applications in the last quarter of the FY 2019-20. Intervening in the discussion, the Chief Secretary, GoK once again advised all the departments to sponsor the applications immediately.

PMAY-CLSS issue has been dealt in detail in the Action Taken Report under Agenda-2. Banks are informed that there is a delay in receiving of interest subsidy, the CS asked nodal agency reasons for delay and reasons for not receiving of interest subsidy from 2015. CS instructed nodal agency/Secretary Housing to call a meeting and resolve the issue.

The KSWDC representative informed that, they are reviewing the progress of Udyogini scheme with their District KSWDC officers.

The Chief Secretary instructed all line departments to send Bank-wise/Branch-wise pending details to SLBC, So that they can take up with Banks/LDMs for follow-up.

GM, SLBC advised LDMs to review the implementation of Government Sponsored Schemes effectively in BLBC & DCC/DLRC meetings.



**(Action: All line departments, LDCMs)**

### **5 (c): Credit flow to Minority Communities**

GM informed the House that there is a growth of Rs.3120 Crore (7.68%) in advances to minority communities as at Sep 2019 over March 2019. The share of advances to minority communities in total PSA has increased from 13.82% as at March 2019 to 16.15% as at Sep 2019, GM remarked. He hoped that with the same trend will be continued.

### **5 (d): Flow of credit to Minority Communities in identified districts**

GM informed the House that the flow of credit to minority communities in all the three minority community concentrated Bidar, Dakshina Kannada and Kalburagi districts has surpassed the mandatory level of 15% of total Priority Sector Advances of respective Districts.

### **5 (e): KCC loan, Crop insurance under PMFBY**

#### **KCC Loans:**

- GM informed the House that 20.72 lakh cards are issued up to Sep 2019 quarter of FY 2019-20 amounting to Rs.17618 Crore (including renewals). The cumulative outstanding number of KCCs stood at 49.77 lakh with an outstanding amount of Rs.54664 Crore.
- In addition to Crop loans, banks have also extended pledge loans to the 379 farmers in the state involving an amount of Rs.23.01 Crore up to Sep 2019 quarter of financial year 2019-20. The cumulative outstanding number of pledge loans stood at 3528 with an outstanding amount of Rs.227.97 Crore, GM remarked.

GM, SLBC requested the banks to send data (Bankwise, reasonwise) for not covering 49.77 Lakh KCC cards (as on 30.09.2019) fully under Crop insurance.

**(Action: All banks)**

#### **Special Drive to saturate farmers in extending KCCs in a campaign mode:**

GM, informed the House that keeping in view the importance of the campaign to saturate farmers under KCC, he requested the member banks to see that the timely issue of KCCs and closely monitor the progress and requested line departments to extend full support.

**(Action: All banks & Department of Agriculture)**

**5 (f): PMFBY and RWBCI**

**5 (f).1: The enrolment under PMFBY and RWBCI Kharif 2019-20**

GM informed the House that GoK has issued PMFBY Kharif 2019-20 notification dated 10.04.2019 and RWBCI 2019-20 notification (Ref: Horti/34/HCM/2019-R and I-Horti-Sec) dated 22.05.2019. This notification has been communicated to all member banks by SLBC with a request to advise their branches to cover all notified crops of loanee farmers and also non-loanee farmers whenever they approach the branches.

**5 (f).2: PMFBY Rabi & summer 2019-20:**

GoK has issued the notification dated 27.09.2019 on PMFBY for Rabi and Summer 2019-20 seasons. This notification has been communicated to all member banks by SLBC to advise their branches to cover all notified crops of loanee farmers and also non-loanee farmers whenever they approach the branches.

**5(f)3:Crop Insurance claims of PMFBY Kharif2017-Tumkur District and 5(f)4: PMFBY Kharif 2018 and Rabi 2018:**

Convenor, SLBC informed the House that the further to the 145<sup>th</sup> SLBC meeting, Agriculture Commissioner conducted series of meeting between AIC and the concerned banks to set right the PMFBY Kharif 2017 claim settlement issue pertaining to Tumkur district and minutes of final meeting dated 12.04.2019 was circulated amongst the bankers and individual letters were sent by the agriculture commissioner to banks to make payment of insurance claims.

The Convenor, SLBC brought to the notice of house that United India Insurance Company limited has rejected 6054 crop insurance proposal pertaining to PMFBY Kharif 2018 and Rabi 2018. Further to the objections raised the banks, the Agriculture commissioner mediated series of meetings between the insurance company and concerned banks and reduced the number of rejected proposals to 2225 claims amounting to Rs 4,58,09,612.00. Final minutes of meeting dated 23.10.2019 already shared amongst the concerned banks.

Further, a meeting is convened under the chairmanship of Additional Chief Secretary and Development commissioner on 07-11-2019 to discuss about the claims settlement by the bankers for the proposals rejected by UIIC & AIC pertaining to Kharif 2017, Kharif 2018 and Rabi 2018-19 due to delayed debit and insisted bankers to make the payment positively by 30.11.2019. All the banks have agreed to make the payment by 30.11.2019 except SyndicateBank and State Bank of India who informed that they propose to go for State level redressal committee.

It was also informed to the house that the SLBC Convener has attended a central conference on PMFBY at New Delhi on 15.11.2019. Many issues on crop insurance were deliberated during the conference and when the issue of rejection of premium by insurance companies paid by bankers beyond due date was brought for discussion, it was clarified in writing that insurance companies have to honour all

claims for payment if the premium paid by bankers was retained beyond 45 days. A letter from Director dated 30<sup>th</sup> April 2019 was placed for discussions. The letter ref: F.No. 13012/01/2016-Credit-II dated (FTS-56781) 30.04.2019 issued by the PMFBY Director (credit -IT) as approved by CEO-PMFBY was placed for discussions.

Keeping the above things in view, the issues of PMFBY Kharif 2017, in Tumkur district wherein the AIC Ltd., has rejected and returned the premium in 6836 proposals after almost a year and UIIC Ltd., has rejected and returned the premium for 2225 proposals after a gap of 7-8 months with respect to PMFBY Kharif 2018 and Rabi 2018 was placed before the house.

The GM SLBC requested the chair that both these companies to make their stand clear in view of the above clarification. SLBC Convener had already written a letter to Agriculture commissioner on 20.11.2019 regarding this. GM, SLBC also requested the department to take a sympathetic view and pursue the insurance companies to settle the claims as a special case.

The Commissioner of Agriculture told that, the letter issued by PMFBY Director (credit -IT) - approved by CEO-PMFBY is prospective, it will not be applicable from back date; revised guidelines are applicable from 2019-20 and these issues were happened much before the issue of clarification letter from PMFBY Director (Credit - IT) and it is also in contradiction to revised PMFBY guidelines point no. 35.5.2.7 which says any delay in remittance of premium by banks, if claim arises it is the responsibility of bankers' to settle the claims, However he told house that he will take clarification on letter issued by PMFBY Director and its applicability from PMFBY, GOI.

**(Action: Secretary, Department of Agriculture and crop insurance companies)**

GM, SLBC requested all the concerned banks to take-up with insurance companies and also with their head office regarding settlement of these amount. GM, SLBC also told that SLBC will also seek the clarification from GOI on date of applicability of PMFBY Director (credit -IT) letter (F.No. 13012/01/2016-Credit-II dated (FTS-56781) dated 30.04.2019.

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

#### **5 (g) Education Loans:**

GM, SLBC informed the House that, during the review period of the FY 2019-20, various banks in the state of Karnataka have sanctioned Education loans to the tune of Rs.1047 Crore covering 47490 students as against the annual financial target of Rs.6558 Crore under both priority and non-priority segments. The performance of banks in lending under Education loans is not up to the mark, as the percentage of achievement v/s target works out to 15.97% only, GM remarked. GM requested all the banks to give focussed attention so that the targets are achieved well before the closure the FY 2019-20.

(Action: All banks )

**5(h) Progress under SHG-Bank linkage/ Joint Liability Groups:**

**5 (h) 1: Self Help Groups:**

For the FY2019-20, banks have Credit linked 204399 SHGs with amount Rs. 2621.04 crores up to the quarter ending Sep 2019, GM, SLBC informed the House.

(Action:All banks and NRLM)

**5(h).2: Joint Liability Groups:**

Banks have Credit linked 124231 JLGs with a Credit limit of Rs.2086.47Crore up to Sep 2019. The cumulative performance of Banks under Credit linkage of JLGs stood at 422595 JLGs with Rs 4353.28 crores. The good work done by banks may be continued so as to cover all eligible JLGs in the state, GM SLBC remarked.

(Action: All banks)

**AGENDA 6.0: NABARDs AGENDA FOR SLBC**

GM, SLBC requested the CGM, NABARD to make presentation on various agenda notes of NABARD. The CGM, NABARD made detailed presentation on the agenda notes pertaining to NABARD , the summary of topics which are discussed are as follows:

- ✓ Doubling of Farmers' Income (DFI) by 2022.
- ✓ Credit Potential for Agriculture
- ✓ The Identification of gaps in rural and agriculture infrastructure which need financing (rural godowns, solar power, agro processing, horticulture, allied activities, Agri-marketing etc.).
- ✓ Development and Financing Bamboo Value Chain
- ✓ Irrigation Infrastructure
- ✓ Estimated gap in storage facilities in Karnataka
- ✓ Financing of infrastructure for Integrated Agriculture and Horticulture Development
- ✓ Financing of projects under Integrated Scheme for Agriculture Marketing
- ✓ Irrigation Projects completed during the year 2018-19.
- ✓ Grameen Chintan Project
- ✓ Ground Level Credit target for Agriculture 2019-20
- ✓ Financial Inclusion Fund
- ✓ Others - Preparation of List at district level in respect of third parties (e.g. Valuers) who submit false certificates resulting in frauds in banks

**GM, NABARD** informed house that a High Level Committee under the Chairmanship of Additional Chief Secretary & Development Commissioner has been constituted vide Government Order No. Agri-Act/81/2019 dated 22.08.2019 and it met on 23 September 2019 to hold preliminary discussions on **Doubling of Farmers Income by 2022.**

**GM, NABARD also** explained financial support available to the banks under FIF for various activities such as PoS, micro ATM, Financial Literacy Programmes, CKYCR, PFMS, Dual Authentication, BHIM UPI, Mobile Van and requested the banks to submit proposals for seeking grant assistance.

**(Action: Line departments of Govt, banks)**

## **AGENDA 7.0: CD RATIO, REVIEW OF BANKS AND DISTRICTS WITH CD RATIO BELOW 60%**

The CD Ratio of the state as a whole as on 30.09.2019 has witnessed a decrease of 5.23% from **79.90% as on 31.03.2019 to 74.67% as on 30.09.2019**. The reduction is due to wrong reporting of advances figures by Union Bank of India in Mar 2019.

The CD ratio of the following banks viz., Andhra Bank, UBI, Karnataka Bank Ltd, Tamilnad Mercantile Bank, City Union Bank are still below 60%. Similarly, Uttara Kannada, Udupi & Dakshina Kannada districts have shown the CD Ratio of less than 60% as on 30.09.2019. GM, SLBC requested the executives from Andhra Bank, UBI, Karnataka Bank, TMC Bank, CUB as well as LDCMs of Uttara Kannada, Udupi & Dakshina Kannada districts to ensure increased lending to reach the bench mark level of 60% CD ratio at an early date.

**(Action: Andhra Bank, UBI, Karnataka Bank, TMC, CUB & LDCMs In Uttara Kannada, Udupi & Dakshina Kannada districts)**

## **AGENDA8.0: POSITION OF NPAs IN RESPECT OF SCHEMATIC LENDING, CERTIFICATE CASES AND RECOVERY OF NPAs**

### **8.1 Non-Performing Assets position:**

**GM informed the House that:**

- NPAs under total advances have increased from Rs44374.94 crores( 6.21%) as at 31.03.2019 to Rs 52431 crores (7.48%) as at 30.09.2019.
- NPAs under Agri advances have increased from Rs 16280.79 crores as at 31.03.2019to Rs 17571.11 crores as at 30.09.2019.
- NPAs under total PSA have increased from Rs29310 crores as at 31.03.2019to Rs36116 crores as at 30.09.2019.

GM, SLBC informed the House that increasing trend in NPAs is a matter of concern for the banks & requested for the intervention from the GoK in improving recovery by creating awareness and organizing recovery drives.

**(Action: Govt. departments)**



## 8.2 Recovery of Bank dues under PMEGP

GM informed the House that, after the deliberations in the 143<sup>rd</sup> SLBC meetings, officials from KVIC/KVIB/DIC have organized joint recovery drives and this has resulted in bringing down the NPA level to a considerable extent and thanked the department officials for their support in organizing joint recovery drives and requested the officials to continue to organize joint recovery drives involving banks on a continuous basis.

(Action: KVIC/KVIB/DIC & banks)

## 8.3 Recovery of Bank dues under KPMR & KACOMP Acts:

GM, SLBC informed the House that:

- Banks have filed very few cases under KPMR & KACOMP Acts during all the two quarters of the FY 2019-20. Banks have expressed that the concerned authorities are not accepting RC applications in view of the prevailing CLWS.
- Just 7 RC cases have been recovered during Sep 2019 quarter as against 27993 RC cases pending as at the end of June 2019. The pendency as at end of Sep 2019 is 27986 RC cases.

GM,SLBC, 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. He also requested LDMs to coordinate the joint recovery drives in a big way.

(Action: LDMs, revenue officials & concerned Govt. departments)

## 8.4 Recovery of Bank dues under SARFAESI, DRT & LOK ADALATS Acts:

### 8.4 (a): Recovery during first three quarters of the FY 2018-19:

GM informed the House that the amount recovered compared to the amount involved is nominal at 14.60% under SARFAESI, 8.59% under DRT and 0.51% under LOK Adalat.

## Agenda 9.0 :CROP LOAN WAIVER SCHEME -2018

Regarding progress under implementation of CLWS-2018 of GoK, GM, SLBC informed the house that the GoK under CLWS-2018 has released Rs. 6138.83 Crore towards crop loan accounts of 8,78,881 farmers of commercial Banks including RRBs till 08.11.2019. GM requested all the member banks to complete the task of approval of pending (1) Green listed A/cs, (2) FSD filing and (3) FSD Uploading at the earliest and he also requested the banks to collect the details of farmers (Ration Card/Aadhaar/Sy No) in case of pending 113000 accounts. The same was reiterated by Chief Secretary GoK.

(Action: All Banks)

GM, SLBC requested KarurVysya Bank, South Indian Bank, City Union Bank, RBL, United Bank of India, Allahabad Bank and BOI to immediately take respective Board Approvals for closure of NPA accounts under OTS and send the communication at the earliest.

(Action: The above listed 7 Banks)

#### **AGENDA10.0: REVIEW OF RESTRUCTURING OF LOANS IN NATURAL CALAMITY AFFECTED DISTRICTS IN THE STATE.**

During the June and September quarter 2019, the banks have actively participated in restructuring of loans for flood affected farmers of 22 districts and the work is still going on. SLBC has organised a special SLBC meeting for extending relief measures by banks in areas affected by natural calamities on 30<sup>th</sup> August 2019 and several decisions were taken on extending rehabilitation /restructuring of loans of flood affected farmers. In addition to Agriculture, other loans were also eligible for restructure process. The proceedings of the special SLBC meeting held 30.08.2019 and proceedings of special SLBC steering committee held on 17.10.2019 were also provided to the banks, LDCMs and Govt agencies.

The GM, SLBC requested that all banks should charge 9 % upto Rs 3 lakhs on restructured agricultural crop loans and also requested the banks to inform the same to branches including private banks as requested by GoK and it was approved in special SLBC steering committee meeting held on 17.10.2019.

GM informed the bankers to step up the restructuring of agriculture loans on or before 19.12.2019 since the cut-off date is fast approaching. He also requested the banks to restructure MSME loans in affected areas. GM, SLBC requested all member banks and LDCMs to take immediate steps for extending relief measures/ restructuring of loans as per the extant guidelines of RBI.

The LDCM, Kodagu requested the SBI to issue circular regarding restructuring, as the SBI branches are awaiting for SBI circular. The SBI representative told that they have already circulated circular in previous week.

The ACS & DC requested all bankers to place the information regarding restructuring of loans in respective banks' websites.

(Action:LDCMs and all banks)

#### **AGENDA11: DISCUSSION ON POLICY INITIATIVES OF THE CENTRAL/STATE GOVERNMENT/ RBI (INDUSTRIAL POLICY, MSME POLICY, AGRICULTURE POLICY, START-UP POLICY ETC.) AND EXPECTED INVOLVEMENT OF BANKS**

No issues for discussion under this Agenda

#### **AGENDA12.0: DISCUSSION ON IMPROVING RURAL INFRASTRUCTURE/ CREDIT ABSORPTION CAPACITY**

12 a): Any large project conceived by the State Government to help improve CD Ratio of Banks/RRBs.

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

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

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

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

No data for discussions under this Agenda

### **AGENDA13.0 PARTNERING WITH KVK, HORTICULTURE MISSIONS, NATIONAL SKILLDEVELOPMENT CORPORATION, ASCI, ETC. INCLUDING A REVIEW OF FUNCTIONING OF RSETIs**

#### **13.1 (a): Functioning and performance of RUDSETI/RSETIs in Karnataka state:**

GM informed the House that:

- 33 RUDSETI/ RSETIs are functional in the state of Karnataka.
- These 33 RUDSETI/ RSETIs have trained 11870 candidates in 457 training programmes during the FY 2019-20 i.e. as on 30.09.2019 against the annual target of training 24388 candidates through 882 training programmes.
- The achievement against the annual target in terms of number of candidates trained is 48.67% and in terms of number of programmes, it is 51.8%. The performance is good.
- RSETI-wise NRLM BPL claims for Karnataka. An amount of Rs. 19.52 crores is pending for receipt from MoRD.
- There is lot of thrust for Credit linking of trained candidates by MoRD, GoI. As such, banks are requested to extend requisite credit to the eligible RUDSETI/ RSETIs trained candidates to increase the reach. Banks are also requested to sponsor more and more candidates to the RSETIs for training so that the quality of lending especially under MUDRA scheme can be improved to a considerable extent, GM remarked.

**(Action: All Banks, LDCMs, NRLM, Dept of Skill Devt, Entrepreneurship & Livelihood)**

Pendency in Reimbursement of training cost to RSETIs: The details provided by the State Director for RSETIs are as follows;

Pendency of RSETI WISE NRLM BPL CLAIMS-Karnataka (Amt in Lacs)					
SN	Name of the RSETI	Pending as on	Released by SRLM to ZP on 26.06.19		Pending
		31.03.19	To ZP	To RSETI	30.09.19
1	CANB Chikkaballapur	55.9	47.81		55.9
2	CANB Davanagere	26.72	8.08		26.72
3	CANB Haliyal	105.21	39.47	39.47	65.74
4	CANB Harohalli	81.18	20.23		81.18
5	CANB Hassan	89.8	13.9		89.8
6	CANB Kolar	46.14			46.14
7	CANB Ramanagar	26.53	5.84		26.53
8	CANB Shimoga	51.35			51.35
9	CANB Sonnahallipur	53.68			53.68
	<b>CANARA BANK TOTAL</b>	<b>536.51</b>	<b>135.33</b>	<b>39.47</b>	<b>497.04</b>
10	CORPB Chikkamagaluru	56.78			56.78
11	CORPB Kodagu	71.41			71.41
	<b>CORP BANK TOTAL</b>	<b>128.19</b>	<b>0</b>	<b>0</b>	<b>128.19</b>
12	RUDSETI Bengaluru	64.53	24.06		64.53
13	RUDSETI Brahmavar	93.49			93.49
14	RUDSETI Chitradurga	86.18	50.61		86.18
15	RUDSETI Dharwad	95.76	51.56		95.76
16	RUDSETI Mysore	81.23	9	0	81.23
17	RUDSETI Ujire	93.61	5		93.61
18	RUDSETI VIJAYAPUR	64.97	3.38		64.97
	<b>RUDSETI TOTAL</b>	<b>579.78</b>	<b>143.62</b>	<b>0</b>	<b>579.78</b>
19	SYNDB Belgaum	90.69			90.69
20	SYNDB Bellary	69.53			69.53
21	SYNDB Manipal	76.45			76.45
22	SYNDB Kumta	72.55	39.99		72.55
	<b>SYND BANK TOTAL</b>	<b>309.23</b>	<b>39.99</b>	<b>0</b>	<b>309.23</b>
23	SBI Chamarajanagar	1.9			1.9
24	SBI Gadag	30.41	10.5	10.23	20.17
25	SBI Gulbarga	25.6			25.6
26	SBI Koppal	56.93	47.21		56.93
27	SBI Raichur	51.6	49.96		51.6
28	SBI Tumkur	78.12	14.72	0	78.12
29	SBI Yadgir	20.69			20.69
	<b>SBI TOTAL</b>	<b>265.25</b>	<b>122.39</b>	<b>10.23</b>	<b>255.02</b>
30	BOB Haveri	82.37			82.37
31	BOB Mandya	59.88	16.12		59.88
	<b>BOB (e-VB) TOTAL</b>	<b>142.25</b>	<b>16.12</b>	<b>0</b>	<b>142.25</b>
32	KMB Bagalkot	35.75	18.88	18.88	16.87
	<b>KOTAK M BANK</b>	<b>35.75</b>	<b>18.88</b>	<b>18.88</b>	<b>16.87</b>

	TOTAL				
33	DCCB RSETI Bidar	23.96			23.96
	DCC BANK BIDAR total	23.96	0	0	23.96
	ALL BANKS TOTAL	2020.9	476.32	68.58	1952.32

The ACS & DC instructed the State Director for RSETIs-Karnataka & Convener, SLSCR to send a letter to her office, so that they can take up with the concerned.

**(Action: State Director for RSETIs-Karnataka)**

The RBI RD informed the SLBC to send a separate letter to ACS & DC, so that they can take up with the concerned to resolve the issue at the earliest.

**(Action: SLBC)**

#### **AGENDA14.0: STEPS TAKEN FOR IMPROVING LAND RECORD, PROGRESS IN DIGITIZATION OF LAND RECORDS AND SEAMLESS LOAN DISBURSEMENTS**

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

Further, GM, SLBC informed the House that, SLBC has received a letter from the CS, GoK requesting the banks not to make the farmers visit Sub Registrar office to file Form-3 to create charge in favour of the Bank at the time of availing loan and again for cancellation of charge after closure of the loan account. SLBC has circulated the message of the CS, GoK among all the member banks and LDCMs with a request to make use of the above online services launched by the GoK and help the farmers so as to ensure that farmers are not made to visit Sub-Registrar's office frequently, GM remarked.

**(Action:All banks and LDCMs)**

#### **AGENDA 15.0: SHARING OF SUCCESS STORIES AND NEW INITIATIVES AT THE DISTRICT LEVEL THAT CAN BE REPLICATED IN OTHER DISTRICTS OR ACROSS THE STATE**

GM SLBC shared few success stories of the candidates trained by RSETIs /RUDSETIs and requested the member banks to send success stories of their RSETIs to SLBC regularly.

**(Action: All member banks, RSETIs /RUDSETIs and NACER)**



#### **AGENDA16.0: DISCUSSION ON MARKET INTELLIGENCE ISSUES:**

With regard to various agenda items under this viz., (a): Ponzi Schemes / Illegal Activities of Unincorporated Bodies / Firms / Companies Soliciting Deposits from the Public(b): Banking Related Cyber Frauds, phishing, etc.(c): Instances of usurious activities by lending entities in the area, cases of over Indebtedness with regard to Credit related frauds by borrower groups etc. GM, SLBC informed the House about the latest details of the units with nature of activities with whom banks should exercise caution to avoid possible frauds and financial loss.

The RD, RBI informed all the Bank officials & government officials that, if anyone come across any un-authorized collection of deposits or Ponzi Schemes, he requested to escalate the same to SLCC (State Level Co-ordination Committee)/ Sub-Committee of SLCC /RBI/SLBC.

**(Action: All banks, LDMs and Govt. Departments)**

#### **AGENDA17.0: ISSUES REMAINING UNRESOLVED AT DCC/DLRC MEETING**

This time, no LDCM submitted the information under this agenda and hence no discussion took place.

#### **AGENDA18.0: TIMELY SUBMISSION OF DATA BY BANKS, ADHERING THE SCHEDULE OF SLBC MEETING**

GM informed the House that this agenda is repeatedly being discussed in all the meetings and observed that neither the banks nor the Govt. departments are adhering to time schedules for submitting the requisite data to SLBC from time to time which is coming in the way of timely consolidation of statistics/information which helps SLBC & Govt to have a detailed discussion and to arrive at decisions which will help the stake holders for smooth implementation of the various govt schemes.

Further, GM, SLBC informed the House that, as per the extant guidelines of RBI, SLBC has to collect and consolidate the data on various Agenda items at quarterly intervals and ***SLBC has to submit a certificate to RBI on quarterly basis on prompt submission of quarterly statements with 15 days of completion of the quarter. He informed members to adhere to the schedule of submission and any deviation will be reported duly to the top management of respective banks.***

*Further he said, submission of error free data in time is very essential to keep up the time schedule; he observed that many Banks have entered wrong data in the Portal which was abruptly changed later after it was notified & finalized by the SLBC. In spite of repeated mails, phone calls to the State Level Coordinators, SLBC is not getting proper response from some of the Banks/Departments. He requested all the Banks and Departments to submit the required data/ information in time so as to ensure that the SLBC meetings are convened as per the time schedule which has been already submitted to RBI in the beginning of the financial year itself. **The difficulties faced by the SLBC are enlisted here below with a request to avoid the same in future:***

18.1: Though SLBC is releasing the portal for entry of data well in advance, the member Banks are not entering data though the data is available though their CBS immediately after closure of the quarter. This is causing delay in adhering to the schedule/ calendar of the meetings already submitted by

SLBC to RBI. SLBC requests all member Banks to enter the data in the portal within 15 days of the completion of the quarter.

- 18.2: Mismatch of data is another important aspect to be taken care by the member Banks. Many Banks are submitting the data at the fag-end and the data so submitted is highly erroneous in relation to data submitted for the previous quarter. The portal released by the SLBC for entry of current quarter's data contains earlier quarter's data also, we request member Banks to compare the data of current quarter with the previous quarter's data already there so as to avoid such miss matches in future.
- 18.3: All the Govt. departments are requested to submit the status of the schemes implemented by them- "Bank wise" and "District wise, so that the "Bank wise" and "District wise" performance can be effectively reviewed and discussed in the concerned SLBC sub committee meetings and then a compact note can be placed in the regular SLBC meetings. While furnishing the information, the Govt. Departments are requested to provide the Bank wise details as under:
- Target allocated (Physical and financial as applicable)
  - Applications sponsored (No. and amount involved)
  - Applications sanctioned (No. and amount sanctioned)
  - Applications rejected (No.)
  - Applications pending (No.)

Further, GM, SLBC informed the House that the district wise performance can also be followed-up with LDMs to review the progress in BLBC and DCC/DLRC meetings effectively.

He once again appealed all the banks and Govt. departments to submit the data to SLBC in time in future.

**(Action:All banks and line departments)**

#### **AGENDA19.0: FIXATION OF "UNIFORM CUSTOMER BANKING HOURS FOR ALL PUBLIC SECTOR BANK BRANCHES.**

GM, SLBC informed the House that a meeting was called by the DFS on 10.06.2019 regarding EASE. Among various agenda items in the meeting one of the Agenda was on fixation of "Uniform Customer Banking hours for all Public Sector Bank branches. As decided in the 145<sup>th</sup> SLBC meeting the issue of uniform banking hours is taken up with all bankers and 99.5% of the offices opted for 10.00 AM to 4.00 PM slot with few deviations.

Further he said, SLBC vide letter ref. no. 451/A/SLBC/PR/2944/UBH/2019 dated 27.09.2019 (enclosed as Annexure 79 Page no. 321) communicated to bankers about Uniform Banking Hours implementable from 01.10.2019. The publication was also made in leading newspapers. SLBC has received some clarifications from SBI, Canara Bank, Corporation Bank and few other banks on business and lunch hour clarifications and the same was clarified separately. For clarity we wish to clarify that business hours 10AM to 4.00 PM means, all branch functions should be available for public use including cash dealings. Half an hour is to be allowed for lunch depending

on the convenience of the branch. Recent suggestion is to avoid dislocation in services and to have a staggered lunch timings.

He once again appealed all the banks to follow the GoI: DFS directions in this matter.

**(Action:All banks)**

## **AGENDA-20: SUB- COMMITTEE MEETINGS HELD DURING THE REVIEW PERIOD:**

GM, SLBC informed the House the details of SLBC Sub-committee meetings conducted during the Review period. He appealed that:

**Some of the Sub-committee meetings are not being convened regularly because of the following reasons:**

- Non availability of dates from the Chairmen of the Sub-Committees.
- Cancellation and/or postponement of the sub-committee meetings on many occasions.

Further, GM, SLBC informed the House that the SLBC requests the CS, GoK to advise the Chairmen of the Sub-Committees where Secretaries are chairmen of the committees, to give dates for conducting Sub-Committees meetings as and when the convenors of the committees approach for the same. Once the date is given, for any reason, the Chairmen is not available on that particular date, instead of postponing the meeting, the Chairmen shall advise his immediate next official to chair the meeting. Also he requested to submit the data on time, so as to have meaningful discussions in the sub-committee meetings at quarterly intervals and to place a compact note in the regular SLBC meetings. Further, the convenors of the committees are requested to send the proceedings of the meetings with action points to SLBC so as to circulate the same among all the members for implementation.

**(Action:Chairmen&Conveners of all Sub-committees)**

## **AGENDA-20.2: Formation of a new Sub-Committee of banks on deepening of Digital payment network.**

GM, SLBC informed the House that SLBC has been advised by RBI, vide their letter ref. no. FIDD/CO/LBS NO/475/02.01.001/2019-20 dated 27.08.2019 to have a new committee of banker on deepening of Digital payments network and accordingly the same was constituted and sent to the members with vide SLBC letter ref. no. 541/C/2944/SLBC/2019-20 dated 17.09.2019 nominating the General Manager looking after IT and Digital banking functions along with one IT officer.

**(Action: NewSub-committee members –RBI, SBI, Canara Bank, SyndicateBank, UBI, BOB,HDFC Bank,e-Governance GoK)**

## **AGENDA 21: MISCELLANIOUS ISSUES:**

### **21.1 Issue regarding filing suit for Agricultural Terms loans where accounts are becoming time barred referred by Andhra Bank:**

The Zonal Office, Bengaluru of Andhra Bank vide their letter No. 692/MIS/19-20 dated 31.08.2019 with reference to filing suit for Agricultural term loans to protect the validity

of the documents and requesting SLBC to take up the matter with the Bankers and GoK for clarification in the matter. They have also referred that the Debt waiver scheme was announced by GoK for production credit. Agricultural term loans accounts documents are becoming time barred as the farmers are refusing to sign Acknowledgement of debt, there is no other alternative than filing suit to protect the validity of documents. Otherwise the concerned bank officials will be held responsible for the loss.

The ED, SyndicateBank informed that SLBC can't issue any instructions related to Law of Limitation, so an individual banks has to take call on this issue.

RD, RBI informed the SLBC to send a letter/proposal to GoK to include agricultural loans for RC filing.

**(Action: All banks, SLBC &GOK)**

#### **21.2: Disposal of Educational loans under RGLS:**

Director of Collegiate Education has reported that applications are to be finalised for sanction of education loans at various banks under Rajiv Gandhi Loan Scholarship Scheme. The concerned banks are requested to direct their branches where the applications are likely to be sponsored soon to sanction and dispose the proposals based on merits at the earliest. This is in view of the urgency to make up for time lost.

MOU by Department of Collegiate Education, Bengaluru with Bank of Baroda (e-Vijaya Bank) is likely to be finalized soon and thereafter targets will be communicated for financing of these RGLS loans.

**(Action: BoB & Department of Collegiate Education)**

#### **21.3 Selection of Raichur as Digital District at SLBC level:**

In the meeting held between RBI Governor and Heads of PSU Banks on 18.07.2019 it was decided that PSU Banks will undertake 100% digitization of one district in each state. Accordingly SBI has come forward to adopt Raichur District for 100% digitization during steering committee meeting.

Raichur District is identified for Digital district for the state and all the members have accepted. It was also discussed that if Canarabank want to do it in Chikkaballapura Dist, they can take it voluntarily as second digital district of the state.

**(Action: SBI & Canara Banks and other banks operating in Raichur dt.)**

#### **21.4. Revision in guidelines for Administration of Subsidy for loans granted under Government Sponsored Schemes by Canara Bank:**

As per the present policy subsidy matters viz. claims to various departments, follow up for receipt of subsidy are being done by respective branches. In order to have better monitoring need is felt to entrust the work relating to subsidy matters to Regional Offices in Karnataka. Process flow for front end subsidy and back end subsidy is elaborated.

The Canarabank requested that all the government sponsored Schemes/subsidy schemes should be routed through their regional office as a nodal office, so that middleman interference is avoided, one more check can be done, and it helps for better monitoring, ensuring end utilisation.

The request of Canarabank is approved.

**(Action: Canara Bank and Line Departments dealing with subsidy)**

#### **21.5: Elections on December 05, 2019 in the state of Karnataka**

The Chief Electoral Officer, Karnataka has come out with detailed guidelines on transportation of cash by banks, MFD functioning on giving loans and recovery etc for the ensuing December 05 elections in 15 Assembly segments. SLBC requested all the bankers to adhere to the rules unfailingly.

**(Action: All banks,RRBs, Co-Operative banks)**

#### **21.6: Implementation of National Common Mobility Card (NCMC):**

National Common Mobility Card has been launched to provide an easy, convenient, fast and fail-proof method of digital payment to citizens for all routine low value transactions including public transport and retail. The idea is to enable a single interoperable digital payment mode in all the Metros, Railways and Bus services along with retail to fulfil the vision of “One Nation One Card”

The GM, SLBC requested the MD, BMRCL to present on the said agenda, then the MD, BMRCL Mr.Ajay Seth presented a PowerPoint presentation regarding

##### **Key Requirements & Challenges:**

- Instant Issuance of Pre-paid NCMC at Metro Stations, BMTC Terminals and Bangalore One
- Issuance by multiple banks to serve ridership of about 45 lakhs/ per day, BMRCL & BMTC put together
- Choice to commuter to buy bank specific card at Metro stations
- Instant Issuance process to be time efficient – Min KYC vs Full KYC
- Cost efficient business model for Issuance, Recharge and transaction charges
- Issuance and Recharge of NCMC outside Metro premises through BCs.

##### **Proposal for Consideration by bankers:**

- Expediting issuance of 'One Nation One Card' by all the banks in Bangalore
- Multiple Issuer and Multiple Acquirer model to bring the costs down for all the stakeholders
- Instant Issuance by Metro and Bangalore One acting as agent or BC of multiple banks.
- Use of Metro's Ticket machine for Instant Issuance by integrating with Bank's issuance portals ( Multiple banks)
- Connectivity to multiple Acquirer banks through intermediary to maximise on-us transactions
- Use of Biometric Aadhaar e-KYC for KYC at stations
- Charges to be borne by commuters (cost of Card & recharging), by BMRCL and the Banks (to be discussed) .

MD, BMRCL, Bangalore wanted to introduce NCMC with help of 6 to 8 banks to enable the commuters to use the cards both at metro and BMTC and other sale points. He requested SLBC to identify 6-8 banks with highest customer base in Bangalore city and form a small committee of banks along with their IT teams to discuss and to come out with a business model which is beneficial to both Metro and banks. He volunteered Metro is ready to act as business correspondence for all the banks.

The RD, RBI suggested to form a small committee of bankers along with a bank which has already involved in this kind of activity in some other state. And discuss along with banks'IT teams on multiple issuer and multiple acquirer and SMS charges and other related issues. RD asked to give a detailed proposal to RBI to take the proposal forward.

The GM, SLBC assured to call a meeting with Banks and BMRCL with involvement of technical/DIT persons to discuss on the issue.

**(Action: BMRCL, SLBC & Banks)**

#### **21.7: Implementation of Beneficiary Oriented Programme under National Livestock Mission through Collection or Escrow Account:**

Under the centrally sponsored National Livestock Mission during FY 2019-20 Rural Backyard Development Programme for sheep, goat and pig is being implemented in the State. This programme is implemented with 90% subsidy and 10% beneficiary contribution. Hence for successful implementation of the programme subsidy amount has to be transferred to collection account or by creating ESCROW account jointly in the name of Bank Managers and beneficiaries.

The member banks sought clarification from Dept. of Animal Husbandry & Vet. Services regarding exact requirement on said agenda related to Escrow Account. Further details to be submitted by department.

**(Action:Dept. of Animal Husbandry & Vet. Services)**

#### **21.8: Co option of IPPB as SLBC member:**

IPPB requested for membership of SLBC vide their letter ref. no. IPPB/2019-20/CEO/OC-041 dated 04/07/2019. According SLBC allowed **Co option of IPPB as SLBC member**. Login credential in SLBC portal is provided to IPPB.

#### **21.9: Permission for utilization of grants received from MoRD from RSETI Vajarahally (Ramanagaradt.) at RSETI Harohally (Ramanagaradt.)**

MoRD has sanctioned an amount of Rs. 80 Lac for upgrading infrastructure at RSETI Vajarahally. First instalment of Rs. 40 Lac is released in June 2009. Construction of building work started in 2012 and Forest Department, Karnataka claimed that the land belongs to Forest Department and stopped the constructions related work. The matter is now under litigation. Canara Bank has established another RSETI, Harohally training institute in 1990 at Harohally. This institute has approached MoRD for funds for construction of building and other infrastructure.



MoRD has suggested utilisation of funds released for RSETI Vajarahally to RSETI Harohally since the matter is under litigation, with the permission of SLBC.

The Chief Secretary informed Canarabank to apply for retention of land for building portion of RSETI Vajarahally and meantime house accepted for proposal of utilisation of funds released for RSETI Vajarahally by RSETI, Harohally as suggested by MoRD.

**(Action:Canarabank)**

#### **21.10: Creating awareness about Ponzi Schemes:**

In order to create awareness about Ponzi schemes, the GoK has developed posters (both in Kannada & English) and Financial Advisor, FD, GoK informed SLBC to take-up the matter in SLBC meeting for approval. GM SLBC requested the house to deliberate on the issue, so that the banks can create the awareness by placing the posters in branches.

The Secretary (Fiscal Reforms), Finance Department requested the SLBC to instruct the banks to share Jagruti portal (Jagruti–State Level Co-ordination Committee, Karnataka portal <https://www.jagruti.kar.nic.in/>) so that they can communicate to the ground level people and she also requested the banks display the posters. She also requested the banks to communicate to SLCC, Subcommittee of SLCC whenever high deposits are remitted to their accounts at branch level.

**(Action: All banks)**

#### **21.11: Implementation of Tri Lingual Policy with emphasis on Kannada in offices in the state of Karnataka:**

The implementation of Kannada in offices (in banks in particular) to have better understanding of the locality and customers in the state of Karnataka is introduced as an agenda item as requested by GoK. The Chief Secretary suggested that Kannada AbhivruddiPradikarahas developed courses and a twitter handle for teaching Kannada to non-kannadigas, so that banks can approach and get the benefits.

The GM, SLBC requested Banks to give training to Non Kannadiga bank officers to learn Kannada, further if any request come to SLBC, then SLBC may also arrange common training programme and he requested the banks to keep documents/delivery channels and forms in kannada also. Also prominent display of bank branches boards in local language (upto 60% of board) can also be considered.

**(Action: All banks)**

#### **21.12: Bank websites in Kannada language:**

CS, GoK has made a request to banks for Bank websites in local languages for better understanding by the customers/farmers of Karnataka state. All banks to initiate action in this direction.

**(Action: All banks)**

**21.13: CO OPTION OF Suryoday Small Finance Bank and others as SLBC members:**

The Suryoday Small Finance Bank Ltd., ECGC Ltd. And Airtel Payments Bank have requested for membership of SLBC. The SLBC forum accepted these requests for SLBC membership.

**21.14: Performance Karnataka Farmers Resource Center, Bagalkot (KFRC)**

The Performance of KFRC will be reviewed in KFRC meeting of trustees.

**21. Extension of KCC scheme to Animal husbandry and fishery farmers** in terms of RBI directions vide letter ref FIDD.CO.LBS.No. 1036/02.01.001/2019-20 dated 20.11.2019 shall be followed and reviewed in DCC meetings without fail.

GM, SLBC requested the banks to extend the KCC Scheme to Animal husbandry and fisherman/fishery farmers by finalising the KCC OD limit through State Technical Committee at the earliest.

(Action: All banks & LDCMs)

**21.15 Awards presentation to 3 Entrepreneurs selected by MoRD pertaining to Karnataka for 2019-20:**

Three entrepreneurs in Karnataka state are selected by MoRD under National Entrepreneurship Awards for the year 2019-20. The awardees are: 1.Goutam Surana and Peeyush Kothari from ECO365, 2.Sreenivas B Venkataramana and Sujeet Kumar Ghosh from Aspartikaand 3. Manjunath R and Chandrasekharaih B Karimani from Future Biotech.

The certificates from MoRD were already provided to them. As a token of appreciation for their entrepreneurial journey, SLBC felicitated them. The Chief Secretary honoured these three entrepreneurs and praised the contributions of young entrepreneurs.

The 147<sup>th</sup> SLBC Meeting concluded by proposing **vote of thanks** by Shri.Shreenath Joshi, Chairman of Karnataka Grameena Bank.



Convenor, SLBC & GM, SyndicateBank



Photos of the 147<sup>th</sup> SLBC meeting held on 28.11.2019

**SLBC – KARNATAKA**  
**LIST OF PARTICIPANTS**  
**147<sup>th</sup> SLBC Meeting held on 28.11.2019**

Sl. No.	Name Shriyuths -	Designation	Organization
1	T M Vijay Bhaskar	Chief Secretary	Govt of Karnataka
2	Mrs. Vandita sharma	Addl. Chief Sec. & Dev. Com.	Govt of Karnataka
3	Sri. Nageswara rao y	OSD & Whole time Director	Syndicate Bank
4	Sri. Jose. K. Kattoor	Regional Director	Reserve Bank of India
5	Sri. T. Manivannan	Convenor-SLBC & GM	Syndicate Bank
6	P V S Surya Kumar	Chief General Manager	NABARD
<b>STATE GOVERNMENT DEPARTMENTS</b>			
7	B.K. Dikshit	Commissioner for Agriculture	Agriculture Department
8	Manju Prasannan Pillai	Secretary (Fiscal Reforms)	Finance Department
9	Sunil Kurtkoti	Advisor	Finance Department
10	S.Rohith	Project engineer	RDPR (MGNREGA)
11	R. Shiva Prakash	Addl RCS	Department of Co-op Societies
12	Shanthalakshmi	Superintendent	Dept of Collegiate Education
13	G.Srinivas	Nodal Officer	Dept of Collegiate Education
14	S. Ziyaullah	Director	MSME
15	P. Venkatachala	Assistant Director	MSME
16	Anand V Kittur	Additional Director	Department of Handloom & Textiles
17	S.R. Mahesh	Commissioner	AH & VS
18	V. Rashmi	Secretary to Governor	AH & VS
19	Dr. Halagappa	Addl. Director	AH & VS
20	Vishwanath	Senior Asst. director of fisheries	Dept of Fisheries
21	N.G. Lakshman Rao	Director	Rudseti Mysuru
22	Ramakrishna B Mane	State Director for RSETIS	NACER
23	P. Santosh	National Director for RSETI	NACER
24	M.S. Ravi Shankar	Officer	NACER
25	H.L. Govardhana	Nodal Officer KVK	NACER
26	M. Linganna	Nodal officer	NACER
27	Ajay Seth	Managing Director	BMRCL
28	R.K. Verma	Chief Engineer	BMRCL
<b>RESERVE BANK OF INDIA</b>			
29	Sanjeev Singha	General Manager	Reserve Bank of India
30	N B Dattatreya	Asst. General Manager	Reserve Bank of India

**APEX INSTITUTIONS**

31	H.R. Srivartsa	General Manager	NABARD
32	B. Uday bhaskar	Deputy General manager	NABARD
33	A.Amlekar	Asst. General Manager	NABARD
34	R.K. Dudihalli	Asst. General Manager	NABARD

**CONVENOR – SYNDICATE BANK**

35	S. Nazeer Ahmed	Deputy General manager	Syndicate Bank - SLBC
36	Suresh Kumar	Deputy Zonal Manager	Syndicate Bank
37	Rajendra Prasad C K	Chief Manager	Syndicate Bank – SLBC
38	Yetish M D	Sr Manager	Syndicate Bank – ZO – Bengaluru
39	Ananda Nayaka K N	Senior Manager	Syndicate Bank – SLBC
40	Ravi Kumara	Senior Manager	Syndicate Bank – SLBC
41	B Nagaraja	Senior manager	Syndicate Bank – SLBC
42	Rajesh	Senior Manager	Syndicate Bank – SLBC
43	Dilawar Singh	Senior manager	Syndicate Bank – Card Centre
44	Ankur	Asst. Manager	Syndicate Bank – SLBC
45	K. leela Pratap	Nodal Officer - SRDT	Syndicate Bank - PSCD

**NATIONALISED BANKS**

46	C.S. Vijayalakshmi	Deputy General Manager	Canara Bank
47	Annamma Simon	Assistant General Manager	Canara Bank
48	N.H. Tulsiram	Senior Manager	Canara Bank
49	N. Veerabhadrapa	General Manager	Corporation Bank
50	Uma Devi M.V.	Assistant General manager	UCO Bank
51	G.M. Kasturi	Manager	UCO Bank
52	G. Niranjan Kumar	Chief Manager	Bank of Baroda
53	B. Indumathi	Senior Manager	Bank of Baroda
54	B. Ravi Kumar	Chief Manager	Andhra Bank
55	A.Manikanta reddy	Manager	Andhra Bank
56	R. Kiran Phulekar	Manager	Allahabad Bank
57	K Srinivas Prabhu	Chief Manager	Indian Overseas Bank
58	Narendra N Malalikal	Deputy General Manager	Central Bank of India
59	V S Geetha	Asst. manager	Central Bank of India
60	Ramdas Hegde	Deputy Gen Manager	Punjab National Bank
61	MadanGopal	Officer	Punjab National Bank
62	G.K. Agarwal	Deputy General Manager	Oriental Bank of Commerce
63	C. Anju	Assistant manager – Circle Office	Oriental Bank of Commerce
64	S. Ramakrishna	Deputy Zonal Manager	Bank of India
65	B.R. Nagaraj	Senior Manager	Bank of India
66	B. Krishna Reddy	AGM/DGM	Indian Bank

67	Neha Thakur	Manager	Indian Bank
68	Yuvaraj Kedar	Deputy Manager	Bank of Maharashtra
69	Chitra Dayar	Deputy Gen manager	Bank of Maharashtra
70	S. Shivanna	Chief Manager	Punjab & Sind Bank
71	B.Suhas	Assistant General Manager	Union Bank of India

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**STATE BANK GROUP**

72	Sesh Kumar Adiraju	Deputy General Manager	State Bank of India
73	S.V. Srinivas	Chief Manager	State Bank of India
74	K.N. Bhat	Asst. General manager	State Bank of India
75	K.P. Mahadev Kumar	Asst. General manager	State Bank of India

**PRIVATE BANKS**

76	Raghavendra	Senior Manager	YES Bank
77	Anurag Guptha	Nodal Officer	HDFC Bank
78	Mahesh H V	Cluster Head	HDFC Bank
79	Vidyalaxmi R	Assistant General manager	Karnataka Bank
80	Miarka D Souza	Agriculture officer	Karnataka Bank
81	Satheesh R	Manager	HDFC Bank
82	G.P. Nithyanand	C R D M	Axis Bank
83	Shivanand Rangapur	Deputy Manager	Axis Bank
84	Gracy V V	Manager, RO	South Indian Bank
85	Prasanna M	Vice president	Equitas small Finance Bank Ltd
86	John Alex	Head - Lead Bank	Equitas small Finance Bank Ltd
87	Sachin K B	Divisional Manager	Ujjivan Small Finance Bank
88	Manoj Kumar M	Senior Manager	Federal Bank
89	Vishnu Prasad V	State Business head	Federal Bank
90	S. Ramkumar	Business Associate	DCB Bank Ltd
91	Raja Jayavelu	Asst. Vice President	Lakshmi Vilas Bank
92	Mary Jennifer	Assistant Manager	Lakshmi Vilas Bank
93	Suman Guptha	Chief Manager	Kotak Mahindra
94	Vivek Shirke	Chief Manager	Dhanalaxmi Bank
95	Sanjeev Agarwal	Executive	Jammu & kashmir Bank
96	Santhosh Rajan	Cluster head	Bandhan bank
97	Armugaraj S	Asst.Manager	Tamilnad Mercantile Bank Ltd
98	S. Vijay Kumar	Chief manager	IDFC bank Ltd
99	Savitha H S	Development Officer	KSCARD Bank Ltd
100	Sandesh Prabhu	Asst.Vice President	Indus Ind Bank
101	Vijay K	Regional Head	Indus Ind Bank
102	M. Bhattacharjee	State Co-Ordinator	ICICI Bank limited
103	Deepak Goyal	State Head	Airtel Payment Bank
104	Harshitha S	Senior Manager	Airtel Payment Bank
105	J.B. Mishra	Deputy General Manager	IDBI Bank
106	H.S. katti	Asst. Vice president	RBL Bank



107	Sharath G	Branch head	RBL Bank
<b>CO OPERATIVE BANKS/ OTHER BANKS/INSTITUTIONS</b>			
108	N.L. Kumudini	Deputy General Manager	Apex Bank
109	Sanjana C.P	Bank Assistant	Apex Bank
<b>REGIONAL RURAL BANKS</b>			
110	Shreenath Joshi	Chairman	Karnataka Grameena Bank
111	I.G. Kumar Goud	General Manager	Karnataka Vikas Grameena Bank
<b>BOARDS/CORPORATIONS/GOVT. OF INDIA</b>			
112	Jayavibhavaswamy	CEO	K V I B
113	M. Jaganatha Rao	State Director	K V I C
114	K.P. Venugopal	Assistant Director	K V I C
115	Manoj Kumar meena	Secretary	Housing
116	Dr. K.N. Vijay Prakash	Managing Director	Devraj urs backward class dev corporation limited
117	T.R. Kotappa	General Manager	Devraj urs backward class dev corporation limited
118	B. Rajesh	Executive Director	KFRC Bagalkot
119	Vittal Shorur	Director	KFRC Bagalkot
120	Venkata Reddy	Technical Officer	Coffee Board
121	Surendra babu G	ADG	UIDAI
122	Virupaksha	Centre Manager	UIDAI
123	C.H. Vasundhara Das	Managing director	K S W D C
124	Vijay Kumar	General manager	K S W D C
125	Arun Kumar	General Manager	DR. BR A D C Ltd
126	ShivaKumar S M	Joint General Manager	HUDCO Ltd
127	Savitha	Assistant Director	Department of Women & Child Development (DWCD)
128	T.N. Manjula	Assistant General Manager	K.M.V.S.T. Dev. Corporation
129	Hanuma Narasaiah	Managing Director – Social Welfare Department	K.M.V.S.T. Dev. Corporation
130	Syed Abhikalam	General Manager	KMDC
131	Syedda Isha	Managing Director	KMDC
132	Vishwanath P Mudajji	Addl. Mission Director	KSRLPS - Skill Development DAY - NULM
133	Basappa C K	SMM – S & C	Skill Development - SDEL DAY - NULM
134	S.V. PanchaMouli	Executive Director	BWS – Rural Devpt Foundation
135	U S Mirji	Joint Director RD-Commissionerate	Department of Horticulture
136	Shyam Sundar	PE - FI	NRLM - SDEL

137	Prakash E.P	AGM (T)	RGRHCL
138	Gangadevi S R	SDE	RGRHCL
139	N. Ramya	Finance Specialist - PMAGU	RGRHCL
140	Venkatesh H C	Consultant – CLWS, GoK	Stamp survey & Land records GoK
141	Archana Y B	Managing Director - SWD	Karnataka Bhovi Devpt Corporation
142	K. Madhu Mohan Kumar	Deputy Director General	Department of Telecommunication
143	A.K. Kishore	JTO	Department of Telecommunication
144	Nagendrappa	JTO	Department of Telecommunication
145	K.S. Govindaraju	Assistant Director	Department of Telecommunication
146	Dr. Sadashiva	Joint Director	Karnataka Milk Federation - KMF
147	Abhisar Sharma	AGM & Circle head	India Post Payment Bank
148	C.N. Rajesh	Chief Manager	India Post Payment Bank
149	S. Ali Inam	Researcher	Log 9 materials
150	Anshul sharma	Vice-president	Log 9 materials
151	Goutam Surana	Director	ECO 365
152	Chandrashekar Karimani	CO Founder	Future Biotech
153	R. manjunath	Founder & CEO	Future Biotech
154	B.V. Srinivas	Director	Asperltia
155	Dr. Jitendra Kumar	Managing Director	Bangalore Bio Centre
156	P. Sindhu	Student	GKVK
157	Apeksha B A	Student	GKVK
158	G.M. Gaddi	Associate Professor	UAS, GKVK
159	Deepak Dev M	Project Manager - UD	CEG
160	Prabhakara H L	Project manager	CEG

#### INSURANCE COMPANIES

161	K. Anand	Senior Branch Manager	LIC of India
162	S. Seethalakshmi	Deputy Manager	Agri Insurance Co of India
163	R. Nagarathna	Assistant manager	Agri Insurance Co of India
164	D. Usha	Regional Manager	Agri Insurance Co of India
165	Audimoolam P T	Regional Manager	Bajaj Alliance GIC Ltd
166	Nalini Rao	Manager	Oriental Insurance
167	Saraswathi K N	Associate	Future General Ins corporation
168	S. Surendran	Regional Manager	Bharthi Axa GIC
169	A.S. Devika	Deputy Manager	New India Assurance

#### LEAD DISTRICT MANAGERS

170	Basavaraju	Lead District Chief Manager	LDM, Chickballapur
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171	Sushrut D Shastri	Lead District Chief Manager	LDM, Davangere
172	Rudresh D C	Lead District Chief Manager	LDM, Udupi
173	Venkatachalapathy	Lead District Chief Manager	LDM, Mysore
174	Baburao Borale	Lead District Chief Manager	LDM, Koppal
175	V. Rahul	Lead District Chief Manager	LDM, Belgaum
176	M.P. Praveen	Lead District Chief Manager	LDM, Dakshina Kannada (Mangalore)
177	N. kadarappa	Lead District Chief Manager	LDM, Mandya
178	Solomon Menezes	Lead District Chief Manager	LDM, Shimoga
179	Jyothi Ganesh	Lead District Chief Manager	LDM, Tumkur
180	B.A. krishna	Lead District Chief Manager	LDM, Yadgiri
181	Suhas S Joshi	Lead District Chief Manager	LDM, Ramnagara
182	Giri Gowda J R	Lead District Chief Manager	LDM, Chickmagalur
183	R.K. Balachandra	Lead District Chief Manager	LDM, Kodagu
184	M.C. Madhusudhan	Lead District Chief Manager	LDM, Bangalore Rural
185	P.S. Kulkarni	Lead District Chief Manager	LDM, Raichur
186	D. Gopal Reddy	Lead District Chief Manager	LDM, Bagalkot
187	Ninge Gowda	Lead District Chief Manager	LDM, Chitradurga
188	B.I. Hosamath	Lead District Chief Manager	LDM, Kolar

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