



STATE LEVEL BANKERS' COMMITTEE: KARNATAKA
CONVENOR: CANARA BANK

**STATE LEVEL BANKERS' COMMITTEE
KARNATAKA**

**PROCEEDINGS OF THE 174th
SLBC MEETING FOR THE QUARTER ENDED DECEMBER 2025
HELD ON 03.03.2026**

Venue
Room No 313, Vidhana Soudha, Bengaluru

(Through Hybrid mode)

CONVENOR



HEAD OFFICE: ANNEXE, BENGALURU



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MINUTES OF THE 174th SLBC MEETING AND BANKING STATISTICS AS ON 31st DECEMBER 2025 HELD ON 03.03.2026

The 174th SLBC meeting for the quarter ended December 2025 for the State of Karnataka was held on 03.03.2026 at 03.30 PM at Room No 313, Vidhana Soudha, Bengaluru under the Chairpersonship of **Smt. Uma Mahadevan**, ACS&DC, GoK and attended by

1. **Shri Bhavendra Kumar**, Executive Director, Canara Bank
2. **Dr. Vishal R**, Finance Secretary, Fiscal Reforms, GoK
3. **Smt. V V Jyothsna**, Mission Director, NRLM, GoK
4. **Ms. Shwetha Rao B**, Director, DFS, GoI
5. **Smt. Kaya Tripathi**, Regional Director, Reserve Bank of India
6. **Dr. Surendra Babu**, Chief General Manager, NABARD
7. **Shri. Shambhu Lal**, Chief General Manager, Canara Bank
8. **Smt. Meenakshi Ganju**, General Manager, Reserve Bank of India
9. **Shri Bhaskara Chakravarthy M** General Manager and Convenor SLBC Karnataka and Other Principal Secretaries, Secretaries, Commissioners & Directors from Govt. departments / corporations and Senior executives from RBI, NABARD and different banks attended through video conference.

Shri. Shambhu Lal, Chief General Manager, Canara Bank welcomed, **Smt. Uma Mahadevan**, ACS&DC, GoK, **Dr. Vishal R**, Finance Secretary, Fiscal Reforms, GoK, **Smt. V V Jyothsna**, Mission Director, NRLM, GoK, **Shri. Bhavendra Kumar**, Executive Director, Canara Bank, **Smt. Kaya Tripathi**, Regional Director, RBI, **Dr. Surendra Babu**, Chief General Manager, NABARD and **Smt. Meenakshi Ganju**, General Manager, RBI.

The Key Highlights of the address of Shri. Bhavendra Kumar, Executive Director, Canara Bank are:

Shri Bhavendra Kumar, Executive Director, Canara Bank, welcomed the dignitaries and participants to the 174th meeting of the State Level Bankers' Committee (SLBC), Karnataka and extended a warm welcome to **Smt. Uma Mahadevan, Additional Chief Secretary & Development Commissioner, GoK; Dr. Vishal R., Secretary, Finance Department (Fiscal Reforms), GoK; Ms. Shwetha Rao, Director, DFS, GoI; Smt. Kaya Tripathi, Regional Director, RBI, Bengaluru; Dr. Surendra Babu, Chief General Manager, NABARD; State Heads and Coordinators of member Banks and officials from various Government departments.**

The ED, Canara Bank in his address to the house touched upon his following points.

1. The banking sector in Karnataka has achieved more than the expected pro-rata performance (75%) in major parameters including Total Credit, Priority Sector, Agriculture and MSME as of 31.12.2025 under annual credit plan.



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2. The MSME sector achieved around 86% of the annual target by the third quarter, which is higher than the expected pro-rata achievement and requested all member banks to maintain the growth momentum and achieve the **ACP targets for FY 2025-26**.
3. The **national rankings of Karnataka under various Government schemes**, as follows:
 - **6th position** in MUDRA sanctions and disbursements
 - **8th position** in Agriculture Infrastructure Fund (AIF) sanctions and **7th position** in disbursements
 - **7th position** in PMSVANidhi disbursements
 - **6th position** in PMFME sanctions and disbursements
 - **7th position** in PMEGP margin money subsidy claims
4. The State Government has directed banks and Lead District Managers to ensure coverage of **at least 50% of eligible population under PMJJBY and 70% under PMSBY**.
5. **Highlighted that** as per the directions of the Hon'ble Finance Minister, efforts are being made to achieve **100% saturation of farmers under KCC in Vijayanagara district**.
 - Total farmers identified – **77,279**
 - Farmers contacted – **77,279 (100%)**
 - Sanctions – **20,367 (26%)**
 - Pending for sanction – **4,417**
 - Farmers deceased/not interested/not eligible/not found – **52,495**
6. The following area of concerns highlighted by the Executive Director, Canara Bank
 - **SLBC Portal Data**- Member banks were advised to verify the data before uploading in the revamped SLBC portal and ensure timely and accurate updation.
 - **PMJJBY, PMSBY and APY**- Banks were requested to intensify efforts to cover all eligible customers under PMJJBY and PMSBY. Under Atal Pension Yojana (APY), the achievement for FY 2025-26 stood at 81% (7.23 lakh enrollments against target of 8.97 lakh). Banks were requested to achieve the targets before 31.03.2026.
 - **One BC – One Sakhi**- Only 1,557 BC Sakhis have been onboarded as of January 2026. Service Area Banks were requested to onboard BC Sakhis in every Gram Panchayat as directed by ACS & DC, Government of Karnataka.
 - **Pendency under Government Sponsored Schemes**- Banks were requested to clear the pendency under Government Sponsored Schemes with TAT of 15 days, and 7 days in case of SHG loans.



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- **DEAF Campaign-** Member banks were requested to submit weekly progress of DEAF accounts to SLBC for onward submission to RBI.

In his closing remarks, the Executive Director highlighted the strong collaborative relationship between banks and the State Government, which plays a key role in promoting financial inclusion and supporting vulnerable sections of society.

The Executive Director, Canara Bank requested all stakeholders including **the** State Government, RBI, NABARD and member banks to actively participate in the deliberations and contribute to making the meeting successful.

The Key Highlights of the address of Smt. Uma Mahadevan, ACS&DC, GoK are,

Smt. Uma Mahadevan, IAS, Additional Chief Secretary & Development Commissioner, Government of Karnataka, appreciated the efforts of the member banks for their contribution towards credit growth and implementation of Government schemes in the State.

The Chairperson made the following suggestions and observed concerns:

1. The Credit-Deposit ratio declined to 79% from 80%, which is also below the national average of 82%. Banks were advised to improve credit deployment in the State.
 2. Priority Sector and Agriculture Credit- Agriculture credit grew by 10%, and Agriculture Advances formed 19% of total advances, which is above the mandatory norm of 18%. Priority Sector Advances stood at 42%, above the mandatory norm of 40%.
 3. Performance under Government Schemes- The Chairperson appreciated the performance of the State under various scheme
 - **6th** in MUDRA loan disbursements
 - **7th** in PMSVANidhi disbursements
 - **7th** in AIF disbursements and **5th** in sanctions
 - **6th** in PMFME scheme
- The Chairperson congratulated SLBC and all member banks for these achievements.
4. Expressed concern regarding low coverage under allied activities advised Banks to **increase coverage under all KCC schemes.**
 5. Noted that **Union Bank of India – 53.90%** and **Karnataka Bank – 50%** have CD ratio below the **mandatory norm of 60%** and advised corrective measures.
 6. Noted that some of the PSBs (SBI, Bank of India, Bank of Maharashtra, PNB and Indian Bank) and Private Banks (HDFC, Axis and ICICI Bank) are below the mandatory PSL norm of 40% and advised RBI and SLBC to take up the matter with the top management of these Banks.



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7. Noted that some of the Banks like SBI, Bank of Maharashtra, PNB, CBI, Indian Bank, UCO Bank, HDFC Bank, Axis Bank, ICICI Bank and Kotak Mahindra Bank are having agriculture lending below 18% and advised these banks to improve the lending.

8. Observed that under PM Jan Suraksha RRBs and PSBs have shown encouraging performance, while private banks performance needs improvement. Banks were advised to increase coverage by at least 25% by 31.03.2026.

9. Advised Canara Bank, Karnataka Bank, State Bank of India, Union Bank of India and Bank of Baroda to disburse the pending PM Svanidhi applications.

10. Expressed concern that a large number of inactive BCs (24%) was observed in the state, particularly in Fino Payments Bank and Airtel Payments Bank. RBI was requested to intervene and resolve the issue.

11. Informed that out of 177 FLCs, 40(23%) are non-functional, mainly belonging to State Bank of India and Union Bank of India. These Banks were advised to make them operational.

12. Informed that PM Awas yojana out of 19936 applications received 4210 sanctioned (21%) and 885 disbursed. Large pendency was observed with Canara Bank, UBI, SBI, BoB, IDBI Bank and Karnataka Bank. Banks were advised to reduce rejections and clear the pending cases.

13. Observed that in PM Vishwakarma scheme 3.59 lakh applications was received, 1.24 lakh(35%) have been sanctioned. Banks were advised to reduce rejections and clear the pending cases.

14. Emphasized the need for use of Kannada in banking services to improve customer service and advised SLBC to submit bank wise data on Kannada knowing staff and training initiatives.

15. Other Issues

The Chairperson highlighted the following pending matters:

- **BPL training reimbursement:** ₹54.21 Cr pending
- **Interest subvention for KCC loans:** ₹35.51 Cr pending
- **SVAMITVA property cards:** legislative clarity required for banks to accept them as collateral.

In her concluding remarks, Smt. Uma Mahadevan, IAS, Additional Chief Secretary & Development Commissioner, Government of Karnataka, advised the banks to step up their efforts in credit delivery and implementation of Government sponsored schemes. **The Chairperson** emphasized that banks should not restrict themselves to achieving only the bare minimum targets, but should make proactive efforts to support the developmental initiatives of the State Government.



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The Chairperson observed that under Government Sponsored Schemes, banks need to take additional efforts to ensure timely processing of applications and effective credit flow. **The Chairperson** particularly highlighted that the gap between sanctions and disbursements should be minimized, and banks should ensure that sanctioned cases are promptly disbursed.

The Chairperson also expressed concern over instances where loan applications are being rejected without proper reasons, and stated that such practices are a matter of serious concern. Banks were advised to ensure transparent and justified reasons for rejection of applications, wherever applicable.

Further, **the Chairperson** directed the banks to give priority to the refund of amounts relating to deceased Gruhalakshmi beneficiaries, and ensure that such cases are resolved expeditiously. She requested all member banks and stakeholders to extend their full cooperation in implementing Government initiatives and improving the performance of the State under various financial inclusion and credit-linked schemes.

Remarks of Ms. Shwetha Rao, Director, DFS, Govt of India.

During the meeting, **Ms. Shwetha Rao, Director, Department of Financial Services (DFS), Government of India**, emphasized that data consistency is of prime importance in monitoring the progress of various banking parameters and Government sponsored schemes.

The Director, DFS instructed all member banks to ensure accuracy and consistency in the data being reported, particularly on various SLBC portals and Government scheme dashboards, so that reliable information is available for effective review and policy decisions. Banks were advised to exercise due diligence while reporting and updating data to avoid discrepancies.

Discussion on Agenda Points:

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

AGENDA NO -1

Confirmation of the minutes of 172nd SLBC meeting held on 13.11.2025:

The minutes of 172nd SLBC meeting held on 13.11.2025 were circulated among all the member banks and Govt. Departments and there were no suggestions received, the house confirmed the minutes.



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AGENDA NO - 2

Banking statistics as on 31st December 2025:

The Convenor, 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 December 2025.

There is a Y-o-Y growth of 12 % in Deposits and 10% in Advances. CD ratio of the State as on 31.12.2025 is 79%.

There is absolute growth of Rs. 84216 Cr in PSA over December 2024 showing an absolute percentage growth of 18% on Y-O-Y basis.

Agricultural advances have increased from Rs. 233456 crores as of Dec 2024 to Rs. 256719 Crore as of Dec 2025, showing an increase of Rs. 23263 Crore (10%) on Y-O-Y basis.

The outstanding level under MSME has increased from Rs. 182029 Crore as on Dec 2024 to Rs. 219357 Crore as Dec 2025 an absolute growth of Rs 37328 Crore i.e, growth of 16 % on Y-o-Y basis.

AGENDA NO - 3

3.1. Achievement under ACP and Priority Sector Lending:

The Convenor, SLBC presented a comparative analysis of disbursement as on December 2025 of FY 2025-26.

- The banks have disbursed Rs. 101302 crores under Short Term agriculture loans registering 72% achievement of the Annual target as on 31.12.2025
- The banks have disbursed Rs. 77167 crores as on 31.12.2025 under Agricultural Term loans registering 94 % achievement of the annual target.
- Total agriculture registering 80% achievement as on 31.12.2025 of the annual target.
- The banks have disbursed Rs. 164896 crores under MSME as on registering 86% achievement of the annual target.
- The banks have disbursed Rs. 360317 crores under total PSA as on 31.12.2025 registering 82 % achievement of the annual target.

AGENDA 3.2 Achievement under Agriculture Sub Sector as on December 2025:

The house took note of the performance of all the banks under Agriculture Sub-Sector as on 31.12.2025.

The ACS & DC, Government of Karnataka instructed the Department of Animal Husbandry to convene a meeting with all the banks to discuss measures for improving the credit flow to Sheep, Goat and Piggery sectors. She further emphasized that special focus



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should be given to the districts of North Karnataka to enhance credit support to allied agricultural activities in those regions.

The Director, DFS Government of India instructed the Department of Fisheries to share the database of fishermen with banks, so as to facilitate better access to credit facilities for fishermen in the State.

(Action: Dept. of AH&VS)

3.3 Major Bank wise performance/Achievement of ACP as on Dec 2025:

The house took note of the performance of all the banks under ACP as on 31.12.2025

The Convenor, SLBC informed that Karnataka Bank, Axis Bank and Apex Bank are trailing behind in achieving mandatory priority sector targets.

(Action: Karnataka Bank, Axis Bank and Apex Bank)

AGENDA NO - 4

4.1 ACP performance district wise:

The Convenor SLBC informed the house that Mandya (92%), Bengaluru Rural (88%), Ballari (82%), Raichur (87 %) and Mysuru (86%) are top five Districts, who are top performers under priority sector for September quarter of FY 2025-26.

Further, the Convenor SLBC informed that Bengaluru South (71%), Uttara Kannada (75%) Vijayapura (78%), Shivamogga (81%) and Vijayanagar (82%) are bottom five Districts in terms of priority achievement for FY 2025-26.

(Action: LDMS of Bengaluru South, Uttara Kannda, Vijayapura, Shivamogga and Vijayanagara)

4.2 Review of Districts having CD Ratio less than 60%

The Convenor, SLBC informed that the CD Ratio of the State as on 31.12.2025 is 79.00% and Uttara Kannada and Udupi is having CD ratio of 47% and 50% respectively.

Further, the Convenor informed that there is slight increase in CD ratio in Uttara Kannada District.

AGENDA NO - 5

Branch Network:

5.1. The Convenor informed that, the number of bank branches have increased from 12659 as on 30.09.2025 to 12727 as on 31.12.2025 thus showing an increase of 68 branches on Q-o-Q basis.

5.2 The Convenor, SLBC informed the house that SLBC has received requests for opening of bank branches at Thimmapura in Gadag District and Mugalkhod Municipal City in Belagavi District. He further informed that the said locations have been identified as open for member banks to establish Brick and Mortar branches, and requested member banks to consider opening branches at these centres to improve banking outreach.

(Action: SLBC & Banks)



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5.3 Kaiga, Uttara Kannada District

The Convenor informed the house that Kaiga village in Karwar Taluk of Uttara Kannada District is a Nuclear Power Plant area where no civilian population resides. However, as per the Jan Dhan Darshak Portal of DFS, Government of India, Kaiga village is still reflected as an unbanked village. In this regard, SLBC requested the house to permit consideration of Kaiga village as a Nuclear Power Plant area and remove from unbanked list as per JDD portal.

The Chairperson advised SLBC to place the matter in the concerned DLRC/DCC meeting and obtain the proceedings of the meeting, which may thereafter be submitted for further necessary action.

(Action: LDM Uttara Kannada)

5.4 Status of Rural Bank Branch closure/merger/shifting:

SLBC has not received any request for Rural Bank Branch closure/merger/shifting from LDMs

AGENDA NO – 6

ATM Network:

The Convenor, SLBC informed the house that total number of ATMs as on 31.12.2025 was 15193 against 15398 as at 30.09.2025, thus showing decrease of 205 ATMs

The Chairperson expressed concern over the decline in the number of ATMs, particularly in rural areas, and advised the banks to take necessary steps to maintain adequate ATM infrastructure to ensure accessibility of banking services to the public.

AGENDA NO - 7

Sector wise non-Performing assets position as on 31.12.2025:

The Convenor, SLBC informed the house that total non-Performing assets as on 31.12.2025 was 52670 crores.

AGENDA NO - 8

Issues - Reimbursement of pending BPL claims of training expenditures:

The Convenor, SLBC requested GoK to clear the pending claims of **Rs. 53.67 crores** as early as possible.

AGENDA NO - 9

1% interest Subvention for KCC loans:



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The Convenor, SLBC informed the house that the Government of Karnataka provides a 1% interest subvention on crop loans (KCC) up to ₹1 lakh for farmers who repay their KCC loans promptly. However, for the past three years, ₹35.51 crore in interest subvention has not been received from the department. He requested the Chairperson to facilitate the release of the pending claims.

The Commissioner of Agriculture informed the house that the matter regarding pending reimbursement of 1% interest subvention on KCC loans have been taken up with the Finance Department, Government of Karnataka, and a request has been made to increase the allocation in the forthcoming financial years to clear the pending claims.

During the discussions, the **Director, DFS**, Government of India suggested that at least partial reimbursement may be released to Regional Rural Banks (RRBs), as they account for the largest share of claims under the scheme.

(Action: Agriculture Department, GoK)

AGENDA NO - 10

National Strategy for Financial Inclusion (NSFI) 2025–30 – RBI

The Convenor, SLBC informed that the National Strategy for Financial Inclusion (NSFI) 2025–30 was released by the Governor, Reserve Bank of India on 01 December 2025 with the objective of further strengthening and deepening the financial inclusion ecosystem across the country and ensuring financial well-being of the people.

In this connection, the following five action points envisaged under NSFI 2025–30 are to be implemented by SLBCs.

I. Strategic Objective: Improving the availability and use of equitable, responsible and affordable bouquet of financial services to achieve financial safety and financial security for households and micro enterprises.

1. Improving equity, reach, consistency and quality of last mile access

SLBCs/UTLBCs are required to draw up a roadmap, bank-wise allocations and monitoring mechanism by March 2026 to cover all unbanked revenue centres in a calibrated manner by establishing banking outlets such as branches / Digital Banking Units / Fixed Point Business Correspondents (FBCs) by December 2030.

The following roadmap may be adopted:

Cover 50% unbanked centres in Tier I to Tier V centres and 15% in Tier VI centres - December 2026

Cover 100% unbanked centres in Tier I to Tier V centres and 30% in Tier VI centres - December 2027

Cover 50% unbanked centres in Tier VI centres- December 2028

Cover 75% unbanked centres in Tier VI centres -December 2029

Cover 100% unbanked centres in Tier VI centres -December 2030



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The Action Taken- SLBC has sought details of revenue centres from the State Government to prepare the roadmap.

(Action: Member Banks, SLBC and Revenue Department, Government of Karnataka)

2. Expanding and Deepening Digital Payment Ecosystem (EDDPE)

EDDPE aims to achieve:

- (i) 100% coverage in 80% of districts by March 2026, and
- (ii) 100% coverage in all identified districts by March 2027.

We wish to inform you that, Karnataka state has already achieved 100% EDDPE coverage on 31 August 2024. Incremental progress in EDDPE needs to be closely monitored by the SLBC and the Convener, SLBC Sub-Committee on EDDPE (State Bank of India).

The Action Taken- SLBC vide letter dated 16.01.2026 advised member banks to ensure 100% digitization of all newly opened accounts and advised State Bank of India (Convener, SLBC Sub-committee pm EDDPE) to closely monitor the incremental progress in EDDPE in coordination with member banks on quarterly basis.

II. Strategic Objective

Adopting a gender-sensitive approach for women-led financial inclusion and differentiated strategies for improving financial resilience of households, especially underserved and vulnerable segments.

3. Increasing the share of Women Business Correspondents (BCs)

SLBCs/UTLBCs should put in place a voluntary action plan adopted by member banks to deploy women as business correspondents in a phased manner to achieve the milestone of ensuring at least 30% share of women BCs by December 2028.

Action Taken by SLBC- SLBC vide letter dated 16.01.2026 advised member banks increase the deployment of women Business Correspondents (BCs) by member Banks. Banks were requested to provide plan of action and strategies to deploy women as Business Correspondents (BCs) in a phased manner, so as to achieve the stipulated milestone by December 2028.

Women BCs out of Total BCs as under

Present Position (31.12.2025)	Projection by December 2026	Projection by December 2027	Projection by December 2028
18%	20%	25%	30%

(Action: Member Banks and SLBC)

III. Strategic Objective- Synergizing livelihood, skill development and support ecosystem and its linkages with Financial Inclusion.

4. Funding and Financial Support to Skill Trained Individuals through Potential Linked Plan (PLP) of each District:



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Potential Linked Plans (PLPs) of each district under respective States/UTs should have a suitable allocation for the individuals trained by recognized skill training institutions (R-SETIs, PMKVY, JSS etc) to enable credit support to such individuals by banks. Trained candidates must be provided with the necessary support through handholding arrangements in approaching financial institutions for credit facilities. It is ongoing programme.

It is advised that SLBC Karnataka in consultation with all the stakeholders, formulate roadmaps/strategies to ensure their successful implementation of the remaining above three action points (1,3,4).

Action Taken by SLBC:

SLBC vide letter dated 19.01.2026 advised LDMs while preparing the potential linked plan (PLP) of each district, in to coordinate with DDMs, NABARD to ensure that the PLP of each district provided adequate allocation for individuals trained by RSETIs and RUDSETIs.

Also, SLBC vide letter dated 19.01.2026 informed NABARD to advise DDMs to coordinate closely with the LDMs while preparing the Potential Linked Plan (PLP) of each district.

SLBC vide letter dated 16.01.2026 advised member Banks, NACER, PSETIs & RUDSETIs to necessary support to be extended through handholding arrangements while approaching banks for availing credit facilities. Branches shall actively consider such proposals and ensure timely processing and sanction of loans, as per extant guidelines, to support self-employment, entrepreneurship and sustained livelihood generation among trained candidates.

(Action: Member Banks, LDMs, RSETIs, RUDSETIs and SLBC)

5. Dissemination of information on skill loan schemes of NSDC, State and Central Government:

SLBC to host details of NSDC skill loan schemes, State and Central Government Sponsored schemes on SLBC website for broader dissemination. Further, SLBC to popularize skilling schemes details through LDMs/LDOs at District level and Block level.

Action Taken by SLBC:

SLBC Karnataka has already published in website regarding details of NSDC skill loan schemes, State and Central Government Sponsored schemes for broader dissemination and vide our letter dated 28.01.2026 same was informed to member Banks and LDMs requested to circulate the same among their branches and make effective use of the available information for awareness generation, dissemination and improved credit linkage.

Further, advised LDMs to place a separate agenda item on the State, Central and NSDC Skill loan schemes in the meetings conducted at DCC/DLRC/BLBC levels. The issue may be deliberated in details to ensure wider awareness and effective implementation of these schemes at the grass roots level.

(Action: Member Banks, LDMs and SLBC)

10.2: Issue regarding insistence on personal Aadhaar Number and OTP of Bank officials



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The Convenor, SLBC informed the house that member banks and LDMs have reported that Sub-Registrars are insisting Branch Managers to provide their personal Aadhaar numbers and OTP received on their personal mobile numbers for the purpose of creation and discharge of mortgage.

In this regard, SLBC requests the Department of Stamps and Registration, Government of Karnataka to permit the use of Bank-issued Official ID Cards instead of personal Aadhaar authentication, so that the process of creation and discharge of mortgage can be carried out smoothly.

The Secretary, Finance Department, Government of Karnataka informed that the matter needs to be examined with the Revenue Department for further clarification.

(Action: Revenue Department)

10.3: Subsequent alienation of mortgaged properties without obtaining consent of banks:

The Convenor, SLBC informed the house that instances have been reported where borrowers are transferring properties without obtaining prior No Objection Certificate (NOC) from the lending banks.

He highlighted that such unauthorized transfers lead to several issues, including:

- Delay in recovery proceedings
- Legal complications
- Financial risks to banks
- Difficulty in enforcing security interest by banks

In this regard, SLBC requested that the matter may be taken up with the Revenue Department, Government of Karnataka, and necessary instructions may be issued to registration authorities to ensure that registration of mortgaged properties is allowed only after obtaining prior consent/NOC from the concerned banks.

The Chairperson informed that specific cases of such unauthorized transfers may be reported to the Revenue Department for appropriate action.

(Action: Banks)

10.4: Fair and transparent processing of Educational loan applications:

The Convenor, SLBC informed the house that the Department of Financial Services (DFS), Government of India vide letter dated 11.02.2026 has advised banks to process Educational Loan applications fairly, efficiently and transparently. It was further advised that any rejection of educational loan proposals should be done only with the concurrence of the



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next higher authority and the reasons for rejection should be clearly communicated to the student.

Accordingly, SLBC advised all member banks to comply with the said guidelines and issue suitable instructions to their field functionaries, ensuring proper examination of proposals and analysis of the reasons for rejection.

Further, attention of the house was invited to the letter dated 26.02.2026 received from the Finance Department, Government of Karnataka, advising SLBC to ensure that Educational Loan applications are processed fairly, efficiently and transparently without rejection on unjustifiable grounds.

In view of the above, member banks were advised to ensure that all Educational Loan applications are processed fairly, efficiently and transparently and that applications are not rejected on unjustifiable grounds.

(Action: Banks and SLBC)

10.5 Establishment of Export Facilitation Hub (EFH) with financial assistance from Karnataka Farmers Resources Center (KFRC) at Bagalkote

The Convenor, SLBC informed the house that the Zilla Panchayat, Bagalkote vide its letter dated 09.02.2026 has requested the Government of Karnataka for establishment of an Export Facilitation Hub (EFH) at Bagalkote with financial assistance from the Karnataka Farmers Resource Centre (KFRC).

He further informed that the matter will be placed in the upcoming Board of Trustees meeting, which is expected to be held shortly, and the proceedings and directions of the meeting will be communicated to the concerned stakeholders.

The Chairperson advised SLBC to convene the Board of Trustees meeting at the earliest and place the proceedings in the next SLBC meeting.

(Action: SLBC)

AGENDA NO -11.1

Remarks of Regional Director, RBI Bengaluru.

Smt. Kaya Tripathi, Regional Director, Reserve Bank of India, Bengaluru, observed that the overall performance of the State under various banking parameters is broadly satisfactory, with most of the sectors recording progress close to the expected levels, While Priority Sector Advances stand at about 42%, which is above the mandated norm, and Agriculture advances are around 19%. The Credit-Deposit ratio of the State is around 80%, which reflects reasonable credit deployment in the State.



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However, she emphasized that banks should focus on improving performance further rather than limiting themselves to achieving the minimum prescribed norms, particularly in Priority Sector and Government sponsored schemes.

She also emphasised upon timely disposal of loan applications and transparency in rejection of proposals. While some level of rejection is inevitable, banks should clearly communicate the reasons for rejection to the applicants. She noted that rejecting applications without proper justification or without informing the applicants is a matter of concern, and banks should ensure proper communication with both applicants and the concerned departments.

Further, she referred to the National Strategy for Financial Inclusion (NSFI) and highlighted the key action areas identified under the strategy, which include:

- Coverage of all unbanked centres by December 2030.
- Enhancing women's participation in financial inclusion initiatives, by increasing the share of women BCs to at least 30% by December 2028..
- Deepening digital financial ecosystems and strengthening digital transactions in a sustained manner.
- Suitable allocation for individuals trained by recognised skill training institutions under PLP of each district to enable credit support to such individuals.

Referring to the Re-KYC pendency, she appreciated the efforts of banks for achieving good progress so far. She emphasized that banks must endeavour to complete Re-KYC in remaining accounts much before June 30, 2026 to ensure continued operations in the bank accounts.

With regard to the campaign on unclaimed deposits, she noted that about 27% progress has been achieved so far, and advised banks to further intensify their efforts to settle the accounts under DEA Fund.

In conclusion, she emphasized that data consistency and accuracy are of prime importance, as the data submitted by banks is compiled at the SLBC level and uploaded on central portals. She instructed all member banks to exercise due diligence while reporting and updating data to ensure consistency and reliability.

National Strategy for Financial Inclusion 2025-30 – Preparation of Roadmap:

National Strategy for Financial Inclusion (NSFI) 2025–2030

The General Manager, RBI informed the house that the National Strategy for Financial Inclusion (NSFI) 2025–2030 was launched by the Hon'ble Governor, Reserve Bank of India on 01.12.2025, with the objective of further strengthening and deepening the financial inclusion ecosystem across the country and ensuring financial well-being of the people.



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The **GM, RBI** further informed that the strategy is aligned with the timelines and goals of the United Nations' 2030 Agenda for Sustainable Development, adopted by 193 Member countries at the UN General Assembly Summit held in September 2015.

The **GM, RBI** stated that four action points have been identified for SLBCs/UTLBCs under the strategy. Out of these, Karnataka has already achieved one action point relating to EDDPE. For the remaining three action points, the SLBC Convenor was advised to formulate a roadmap in consultation with the concerned stakeholders.

The remaining three action points are as under:

1. Coverage of Unbanked Revenue Centres

SLBCs/UTLBCs are required to prepare a roadmap, bank-wise allocation and monitoring mechanism by March 2026 to cover all unbanked revenue centres in a phased manner through bank branches, Digital Banking Units or Fixed Point Business Correspondents (FBCs) by December 2030, with the following milestones:

- 50% of unbanked centres in Tier I to V centres and 15% in Tier VI centres by December 2026
- 100% of unbanked centres in Tier I to V centres and 30% in Tier VI centres by December 2027
- 50% of unbanked centres in Tier VI centres by December 2028
- 75% of unbanked centres in Tier VI centres by December 2029
- 100% of unbanked centres in Tier VI centres by December 2030

2. Deployment of Women Business Correspondents

SLBC is advised to formulate a voluntary action plan with member banks to increase deployment of Women Business Correspondents (BCs) in a phased manner to ensure at least 30% share of Women BCs by December 2028, with the following milestones:

- All new BC onboarding should ensure minimum 30% share of women BCs.
- Existing banks to increase Women BC share to 20% by December 2026, 25% by December 2027, and 30% by December 2028.

3. Credit Linkage for Skilled Individuals

It was advised that the Potential Linked Plan (PLP) of each district should include suitable allocation for individuals trained under recognized skill training programmes such as RSETIs, PMKVY, JSS, etc., so that banks can extend credit support to such trained individuals.



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Banks were also advised to provide necessary handholding support to trained candidates to facilitate access to credit from financial institutions.

AGENDA NO -11.2

Progress made in re-KYC by member banks in coverage of the 'Focus Group':

The General Manager, RBI informed the house that, as communicated earlier to all banks, the progress under re-KYC will be monitored for customers falling under the 'Focus Group', which includes the following categories:

- Active accounts where re-KYC was due as on 30.06.2025 and remains pending.
- Active accounts falling due for re-KYC from 01.07.2025 to 30.06.2026 where re-KYC remains pending.
- Inoperative accounts classified as such for up to one year where re-KYC remains pending.

She also informed that the Focus Group pendency in the State as on 06.02.2026 is 9.69 lakh accounts, against a total of 11.64 lakh accounts, indicating 17% coverage during the reporting period.

The GM, RBI advised all member banks to give focused attention to the customers under the 'Focus Group' and ensure completion of re-KYC for all such accounts by 30.06.2026.

AGENDA NO -11.3

Settlement of Unclaimed Deposits

The General Manager, RBI informed the house that as on 13.02.2026, the top 15 banks in the State have settled ₹822 crore against the total outstanding balance of ₹3,304 crore. The bank-wise details are enclosed as Annex III.

She further informed that although the campaign period has concluded, the Reserve Bank of India will continue to monitor the progress of settlement of unclaimed deposits.

Accordingly, all banks were advised to expedite the settlement of such accounts and ensure timely submission of weekly progress reports to SLBC for monitoring purposes.

AGENDA NO -11.4

Delay/Non-Conduct of DCC and DLRC meetings:



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The General Manager, RBI informed the house that as per Para 2.2.2 and 2.2.6 of the Master Circular on Lead Bank Scheme dated 01.04.2025, the District Consultative Committee (DCC) and District Level Review Committee (DLRC) meetings are required to be convened on a quarterly basis to review developmental activities and address impediments in their progress.

However, it was observed that the DCC and DLRC meetings for the quarter ended September 2025 had not been scheduled in Bidar district, and the meetings in Chikkaballapur district were conducted with delay.

The General Manager, RBI further advised all Lead Banks to ensure that the DCC/DLRC meetings for the December 2025 quarter are conducted during March 2026 itself.

The official from State Bank of India informed that the meeting for Bidar district has been scheduled on 06.03.2026.

AGENDA NO -11.5

Delay in submission of data by banks to SLBC convenor:

The General Manager, RBI informed the house that under the Lead Bank Scheme, all banks are required to submit structured datasets on a quarterly basis, which include FI Dashboard metrics, MIS data, Local Board reports, and data relating to Natural Calamities and Credit to Minority Communities.

The General Manager, RBI further stated that specific timelines have been prescribed for the SLBC Convenor Bank to collect, consolidate and submit these datasets to RBI.

In this connection, the SLBC vide mail dated 22.01.2026 informed that despite repeated reminders and follow-up calls, a few banks had not uploaded and verified the mandatory text files for the quarter ended December 2025 on the revamped portal.

The GM, RBI noted that such delays have hampered the preparation of the SLBC meeting agenda, Consolidated FI Dashboard and Local Board data.

Accordingly, State Heads of all banks were advised to put in place appropriate systems and ensure timely submission of structured data in the prescribed format to avoid delays in future.

AGENDA NO -11.5

Amendment Directions on Lending to Micro, Small & Medium Enterprises (MSME) Sector:



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The General Manager, RBI informed the house that Reserve Bank of India vide circular dated 09.02.2026 has enhanced the collateral-free loan limit for Micro and Small Enterprises (MSEs) to ₹20 lakh, which will be effective from 01.04.2026.

She stated that the objective of this measure is to strengthen last-mile credit delivery to Micro and Small Enterprises, particularly those having limited assets to offer as collateral. Banks were advised to take note of the revised guidelines and ensure effective implementation of the same.

AGENDA NO -11.5

Grameen Credit Score:

The General Manager, RBI informed the house that the Grameen Credit Score (GCS) is a specialized credit risk scoring model designed to address the unique characteristics and financing needs of rural lending, thereby facilitating improved access to formal credit in rural and semi-urban areas. She stated that the model captures the distinctive features of rural customers in terms of their product holding behaviour, frequency of loan availing, range of disbursement amounts and repayment behaviour.

She further informed that the Credit Information Companies (CICs) operating in the country have developed a framework for GCS, and Phase-I of the model was launched on 01.10.2025, making the score accessible to member credit institutions such as banks and NBFCs and advised banks to utilize the GCS to strengthen credit assessment and improve credit delivery in rural areas.

During the discussions, **the ACS & DC**, Government of Karnataka suggested that the framework and operational aspects of GCS may also be discussed in the proposed workshop on financing of FPOs being organised by NABARD, so that banks gain a better understanding of its application in rural credit delivery.

AGENDA NO – 12.1

Opening Remarks of Chief General Manager, NABARD

Dr. Surendra Babu, Chief General Manager, NABARD, in his opening remarks appreciated the efforts of banks in achieving good progress under the Annual Credit Plan (ACP). However, he expressed concern over the relatively poor performance in the Housing & Renewable Energy sector and advised banks to take necessary steps to improve lending under this segment.

The CGM, NABARD informed the house that the State Focus Paper for Karnataka for FY 2026–27 has been launched, which estimates the potential for credit in the State at ₹4.99



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lakh crore and advised banks to ensure that ACP targets for 2026-27 are closely dovetailed with SFP Projections. ACP for the state needs to be launched and become effective from 01 April 2026.

He further advised all member banks to implement the e-KCC system effectively and ensure that no KCC applications remain pending beyond 15 days, so that timely credit support is provided to farmers. Further, DLTC meeting for fixation of scale of finance and SLTC at state level needs to be conducted before 20 March 2026.

Support to Government of Karnataka under RIDF

The Chief General Manager, NABARD informed the house that NABARD has been consistently supporting the Government of Karnataka in strengthening rural infrastructure through the Rural Infrastructure Development Fund (RIDF). Assistance has been extended across key sectors such as Agriculture and Allied Activities, Rural Connectivity, Irrigation, Bridges and Social Infrastructure.

The CGM, NABARD stated that the priority areas under RIDF assistance include rural drinking water supply, infrastructure for rural education, and healthcare facilities in remote areas, which have significantly contributed to the holistic development of rural Karnataka by improving livelihoods, access to essential services and overall quality of life.

AGENDA NO – 12.2

Promotion of Pledge financing through electronic Negotiable Warehouse Receipts (e-NWRs):

The Chief General Manager, NABARD informed the house that the Warehousing Development and Regulatory Authority (WDRA) was established under the Warehousing (Development and Regulation) Act, 2007 with the objective of developing a robust system of Negotiable Warehouse Receipts (NWRs) in India.

The CGM, NABARD stated that NWRs have emerged as an important instrument for facilitating agricultural trade and ensuring regulatory oversight of warehousing operations. With the introduction of electronic Negotiable Warehouse Receipts (e-NWRs), the system has been further strengthened by enabling seamless pledge financing through banks and financial institutions.

In this regard, he encouraged banks to extend credit facilities against e-NWRs, which would help in improving farmers' access to formal credit and enhancing the efficiency of post-harvest financing.

The Assistant Director, WDRA, GoI stated that NWRs have emerged as an important instrument for facilitating agricultural trade and ensuring regulatory oversight of



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warehousing operations. With the introduction of electronic Negotiable Warehouse Receipts (e-NWRs), the system has been further strengthened by enabling seamless pledge financing through banks and financial institutions.

In this regard, the Assistant Director, WDRA encouraged banks to extend credit facilities against e-NWRs, which would help in improving farmers' access to formal credit and enhancing the efficiency of post-harvest financing.

(Action: Banks and LDMS)

AGENDA NO – 12.3

Empowering Farmers through e-Kisan Upaj Nidhi (e-KUN):

The Chief General Manager, NABARD informed the house that e-Kisan Upaj Nidhi (e-KUN) is a digital platform developed to facilitate post-harvest loans to farmers by enabling them to pledge electronic Negotiable Warehouse Receipts (e-NWRs) for their grain stocks stored in WDRA registered warehouses.

The CGM, NABARD stated that the initiative is a collaborative effort of the Department of Food and Public Distribution, WDRA, Department of Financial Services (DFS), Government of India and NABARD, aimed at strengthening the agricultural credit ecosystem.

He further highlighted that the platform aims to:

- Provide a transparent and accessible digital warehousing system
- Enable farmers to obtain fair prices for their produce
- Prevent distress sale of agricultural produce through timely access to credit

The CGM, NABARD also informed that to strengthen this ecosystem, the Government of India launched the Credit Guarantee Scheme for e-NWR based Pledge Financing (CGS-NPF) on 16.12.2024 with a corpus of ₹1,000 crore.

The scheme is intended to de-risk lending for banks and encourage them to extend post-harvest credit to farmers against e-NWRs, thereby improving farmers' access to formal credit.

AGENDA NO – 12.4

Exhaustion of Funds under Special Refinance Scheme for Solar Rooftop Systems

The Chief General Manager, NABARD informed the house that NABARD vide Circular No. 323/DoR-107 and Circular No. 325/DoR-109 dated 31.12.2024 had issued Operational Guidelines for the Special Refinance Scheme for Installation of Solar Rooftop Systems in the



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residential sector, applicable to Regional Rural Banks (RRBs) and State Cooperative Banks (StCBs) respectively.

The CGM, NABARD further informed that the funds earmarked under the scheme have been fully exhausted, and therefore NABARD will not be able to release any further refinance under the scheme.

AGENDA NO – 12.5

Setting Targets for Sanction and Disbursement of Credit for Shrimp Farming to Banks and RFI:

The Chief General Manager, NABARD informed the house that as announced in the Union Budget 2024–25, emphasis has been placed on facilitating financing for shrimp farming, processing and exports. Considering the Government of India's focused thrust on shrimp farming under the fisheries sector, there is a need to enhance credit disbursement for shrimp farming at both State and District levels.

The CGM, NABARD stated that shrimp farming has significant growth potential and therefore requires focused lending support from banks. In this regard, he suggested that SLBC may deliberate on fixing separate credit targets for shrimp farming.

The CGM, NABARD further advised that Lead Banks may earmark specific credit targets for shrimp farming in consultation with the Department of Fisheries, so as to ensure focused, monitored and outcome-oriented credit planning for the sector.

The ACS & DC, Government of Karnataka reiterated that credit flow to agriculture allied activities such as poultry, sheep, goat, piggery and fisheries needs to be improved.

Chairperson advised the banks to give focused attention to these sectors and enhance credit support, considering their significant potential in generating rural employment and improving farmers' income.

(Action: Banks, SLBC, LDMs and Fisheries Dept.)

AGENDA NO – 12.6

Review of Kisan Credit Card (KCC) Loans – Disbursement, Outstanding, and Pendency beyond 15 Days:

The Chief General Manager, NABARD informed the house that the Kisan Credit Card (KCC) scheme continues to be a cornerstone of institutional credit delivery to farmers in the State.



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The CGM, NABARD stated that as on 31.12.2025, the outstanding under KCC (Crop Loans) stood at ₹72,832 crore covering 50.44 lakh cards. The outstanding under KCC Animal Husbandry and KCC Fisheries stood at ₹1,230 crore and ₹282 crore respectively.

The CGM, NABARD further informed that during FY 2025–26 (up to December 2025), significant disbursements have been made under the scheme. However, pendency of KCC applications beyond 15 days remains a concern, with 3,231 applications pending, including applications under KCC Animal Husbandry and KCC Fisheries.

The CGM, NABARD advised the banks to expedite the processing and sanction of eligible KCC applications in line with RBI timelines and Government of India guidelines.

(Action: Banks)

AGENDA NO – 12.7

Achievement under Agriculture Sub Sector (as on 31.12.2025):

The Chief General Manager, NABARD informed the house that as on 31.12.2025, the achievement under Agriculture Credit stood at ₹1,78,469 crore, accounting for about 80% of the ACP target of ₹2,22,203 crore.

However, he expressed concern that performance in certain sub-segments such as working capital for allied activities (Dairy, Poultry, Sheep, Goat, Piggery and Fisheries) and the target under e-NWR based financing remains low.

The CGM, NABARD advised Banks to take focused measures such as intensification of KCC campaigns for Animal Husbandry and Fisheries, promotion of e-NWR based pledge financing, and effective utilization of the Agriculture Infrastructure Fund (AIF) **may be** undertaken to improve the overall achievement under the agriculture sector during the remaining period of FY 2025–26.

(Action: Banks)

AGENDA NO – 12.8

Preparation of District Credit Plan (DCP) at Block, Bank and Branch Level :

The Chief General Manager, NABARD informed the house that SLBC may advise all Lead District Managers (LDMs) to prepare the District Credit Plan (DCP) in a granular manner at block-wise, bank-wise and branch-wise levels, in consultation with DDMs of NABARD, **so** as to ensure realistic target setting and effective credit deployment at the grassroots level.



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The CGM, NABARD stated that such a decentralised planning approach will enable better identification of area-specific credit potential, clear assignment of responsibilities among banks and branches, and improved monitoring of credit flow.

This, in turn, would help in achieving the district and state level targets under the Annual Credit Plan (ACP) more effectively.

(Action: SLBC and LDMs)

AGENDA NO – 13

13.1 Progress under Social Security Schemes:

The Convenor, SLBC informed the house that as on 31.12.2025, the number of accounts outstanding under the schemes are as follows:

- PMJJBY – 95 lakh accounts
- PMSBY – 224 lakh accounts
- APY – 48 lakh accounts

He further informed that as per the guidance of **Dr. Vishal R, Secretary, Finance Department, Government of Karnataka**, banks have been advised to cover at least 50% of the eligible population under PMJJBY and 75% under PMSBY.

The Chairperson advised banks not to restrict their efforts to achieving only the targets, but to strive for higher coverage under these schemes. She also emphasized that timely settlement of claims under the schemes should be ensured.

(Action: Member Banks & LDMs)

13.2 Performance under Atal Pension Yojana (APY) scheme for FY 2025-26: (01.04.2025 to 31.12.2025).

The Convenor, SLBC informed the house that, Karnataka State has achieved 69% of APY target set by PFRDA during FY 2025-26 as on 31.12.2025. **The Convenor, SLBC** also mentioned that the performance of Private Sector Banks under the Atal Pension Yojana (APY) is not satisfactory, and requested the concerned banks to improve their efforts.

The Chairperson advised RBI to intervene for improvement enrolments under APY of Private Banks.

(Action: Private Banks)

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

The Convenor, SLBC informed that the highest inactive BCs are from Fino Payments Bank (20627), Airtel Payments Bank (4417), Bank of Baroda (161) and HDFC Bank (113)



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(Action: Fino Payments Bank, Airtel Payments Bank, Bank of Baroda and HDFC Bank)

13.4 Review of Financial Literacy Camps:

The Convenor, SLBC informed that State Bank of India (32), Union Bank of India (5), Canara Bank (1), Bank of Baroda (1) and Karnataka Grameena Bank (1) is having Non-Functional FLCs as on 31.12.2025.

The Convenor, SLBC informed that State Bank of India has released the advertisement for appointment of Financial Literacy Counsellors (FLCs) and 60 applications have been received so far. He further informed that the selection process is underway and the appointments are expected to be completed by 31.03.2026, which will help in making the non-functional FLCs operational at the earliest.

(Action: State Bank of India, Union Bank of India, Canara Bank, BoB and KGB)

13.5 Centre for Financial Literacy (CFLs):

The Convenor, SLBC informed that in Karnataka state there are 79 CFLs and they are sponsored by Canara Bank, State Bank of India, Union Bank of India and Bank of Baroda along with RBI and NABARD.

Total number of camps conducted is 14353 and number of participants were 446821.

13.6 Progress under Aadhar seeding in PMJDY a/cs:

The Convenor, SLBC informed the house that 83% of PMJDY accounts are Aadhar seeded as on 31.12.2025.

(Action: All Member Banks & all LDMs)

13.7: Progress under Aadhaar seeding of operative CASA accounts:

The Convenor, SLBC informed that percentage of Aadhaar seeding was 89% as on 26.12.2025.

Further, The Convenor requested all member banks & LDMs to sensitize the branches and also arrange for further improving aadhar seeding to facilitate more and more Aadhaar based online DBT credits and popularize digital banking.

(Action: All Member Banks & LDMs)

13.8 Status of RSETIs / RUDSETIs as on 31.12.2025 reported by sponsor Banks is as under:

The **Convenor, SLBC** informed the house that 825 training programmes have been conducted against the annual target of 1,153 programmes as on 31.12.2025.

He further informed that adequate participants could not be mobilized for mason training programmes, which has affected the progress under this particular training category.



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During the discussions, the Chairperson instructed the NLM Department to mobilize SHG women to participate in such training programmes, so that the targets can be achieved and livelihood opportunities can be enhanced.

RSETIs/RUDSETIs in Karnataka-Training Details						
Targets FY 2025-26		Achievement during FY 2025-26			Total settled	Total credit linked
Prog.	Candidates	No. of Programs	Total Trained	% Ach		
1153	35810	825	23243	65%	16662	9086

(Action: NRLM and SLBC)

13.9 Functioning and performance of RUDSETI (7) / RSETI (24) in Karnataka state:

The Convenor, SLBC informed house that number of trained persons were 23243 and out of which credit linked were 9086 during financial year 2025-26.

13.10 Progress under finance to Minority Communities in the state:

The Convenor, SLBC informed that outstanding loans to minority communities was Rs. 53795 crores as on 31.12.2025 which is 10 % of total PSA.

13.11 Progress under finance to Minority Communities in the identified districts of state:

SLBC requested Lead District Manager of Bidar (SBI), Kalburgi (SBI) districts and Dakshina Kannada District (Canara Bank) to advise branches for ensuring more Credit flow to Minority Communities for the FY 2025-26.

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

AGENDA NO - 14

Dept. of Agriculture & Farmer Welfare Schemes:

14. 1 KCC Loans – Disbursements & Outstanding:

The Convenor, SLBC informed the house that KCC outstanding as on December 2025 is Rs. 72832 Crores. The Convenor, SLBC requested all Member Banks to sanction KCC loans to all the eligible farmers for agriculture and allied activities.

(Actions: All Member Bank)

KCC-Dairy and Fisheries:

The Convenor, SLBC informed the house that banks have sanctioned 195301 KCC AH loans amounting to ₹1230 Cr.

The Convenor, SLBC informed the house that banks have sanctioned 12109 KCC FISHERY loans amounting to ₹282 Cr



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Further, He requested the member banks to dispose all the pending applications of more than 15 days immediately.

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

14.2 Agriculture Infrastructure Fund (AIF):

The Convenor, SLBC informed the house that during FY 2025–26, banks have sanctioned 780 accounts amounting to ₹687 crore under the scheme.

The Commissioner of Agriculture informed that verified proposals pending for sanction amount to around ₹286 crore, and the maximum pendency is with DCCBs, HDFC Bank, State Bank of India, Karnataka Bank and Canara Bank.

The Chairperson advised the concerned banks to take note of the pendency and expedite the sanction process. She further emphasized that cases already sanctioned but pending for disbursement should be accorded top priority for early disbursement.

(Actions: All Member Banks)

14.3 Progress under PMFME scheme:

The Convenor, SLBC informed the house that banks have sanctioned 2,712 applications against the target of 4,850 as on 31.12.2025 under the PMFME scheme.

The Secretary, Finance (FR), Government of Karnataka informed that pendency of applications beyond 60 days needs to be reduced, particularly in HDFC Bank, Union Bank of India and Karnataka Bank.

The Chairperson advised banks to clear the cases which are sanctioned but yet to be disbursed on an urgent basis. She further instructed that each pending application should be examined carefully and disposed of based on merit and also advised SLBC & KAPPEC to monitor the progress on weekly basis.

The Managing Director, KAPPEC expressed concern over non performance of Banks and pendency beyond 60 days. Further, he advised Banks to improve the performance and dispose the pending applications.

(Action: All Member Banks, LDMS, Special officer of PMFME, Agricultural Department-KAPPEC)

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

The Convenor informed to the house that banks have disbursed Rs.125 Cr against the target of Rs.560 Cr as on 31.12.2025.

14.5: Financing to Farmer Producer Companies / Farmer Producer Organizations



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The Convenor, SLBC informed that banks have sanctioned 23 FPOs against the target of 60 FPOs as on 31.12.2025.

The Secretary, Department of Horticulture, informed the house that banks need to be provided with an awareness programme regarding financial linkage to Farmer Producer Organizations (FPOs). He further suggested that a circular may be issued to all banks requesting them to consider loan proposals from FPOs favourably.

The ACS & DC, Government of Karnataka advised NABARD to conduct a workshop for banks on financing of FPOs to improve understanding and facilitate better credit linkage. She also advised the Secretary, Horticulture Department to provide an analysis of the specific challenges faced by FPOs in accessing credit, so that appropriate solutions can be worked out.

The Director, DFS, Government of India informed the house that an alternative mechanism to CIBIL, namely the Grameen Credit Score (GCS), has been rolled out, and urged banks to implement the same.

(Action: All Member Banks, LDMs, NABARD and SLBC)

14.6 Progress under NRLM Self Help Groups (SHG):

The Convenor, SLBC informed the house that banks have disbursed ₹2,489 crore to NRLM SHGs in the State. He requested all member banks to update the NRLM SHG data in the Ajeevika Portal to ensure proper monitoring and reporting.

He further requested the NRLM Department to instruct field functionaries to submit SHG loan applications with valid MIS codes, which are required for claiming interest subsidy under the scheme.

During the discussions, **the Chairperson** instructed banks to give special focus to the districts of North Karnataka for improving credit linkage to SHGs under the scheme. She further advised the Managing Director, NRLM to convene a separate meeting with banks to work jointly towards achieving better results under the programme.

The MD, NRLM observed that performance under northern Karnataka districts is not upto the mark and advised Banks to focus on these districts.

(Action: All Member Banks, NLM Dept)

14.7 Progress under Joint Liability Groups (JLG):

The Convenor, SLBC informed the house that the total outstanding under JLGs as of December 31, 2025, was Rs. 9430 crores and also requested member banks to focus on achieving the allocated targets.

(Action: Member Banks)



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14.8 Pradhan Mantri Fasal Bima Yojana (PMFBY):

The Convenor informed that as on 10.02.2026 there are 378 proposals amounting to Rs. 0.74 Crores pending for settlement under PMFBY due to NPCI payment failure and Blank Aadhar from ICICI Banks.

Chairperson instructed ICICI Bank to clear the pendency by 15.03.2026.

(Actions: ICICI Bank)

14.9: Restructured Weather Based Crop Insurance Scheme:

The Convenor informed that as on 10.02.2026 total Rs.83 crore amount is pending for settlement under RWBCIS due to various reasons like, crop survey verification pending, crop mismatch etc.

Around 98.74 % of claims are already been settled by insurance companies.

(Actions: Banks)

Performance under Animal Husbandry under Animal Infrastructure Development Fund:

The Convenor informed the house that the scheme is being launched under Atmanirbhar Bharath Package and advised all the bankers to publicize the scheme at branches level.

The Chairperson advised SLBC to provide the performance data for meaningful review.

(Actions: SLBC)

AGENDA NO - 15

15.1: Progress in Sanctions under MUDRA scheme:

The Convenor, SLBC informed the house that member banks have sanctioned 1456605 MUDRA loan accounts amounting to Rs. 18522 Cr from 01.04.2025 to 31.12.2025.

The Convenor, SLBC informed that Karnataka state has secured 6th position with respect to MUDRA loan sanctions and in disbursements in the country with the active participation of all member banks and support from line department.

(Action: All member Banks)

15.2: PM SVANidhi scheme:

The Convenor, SLBC informed the house that Karnataka ranks 7th in the disbursements of PM SVANidhi loans and emphasized the need to strive harder to regain the No. 1 position. He also stated that under the PM SVANidhi scheme, banks have sanctioned 636452 applications, out of which 612678 applications have been disbursed.

The Convenor also informed that the rollout of the PM SVANidhi scheme in Census Towns will commence from 16.03.2026.

In this regard, banks were requested to:



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- Implement outreach and loan mobilization activities as per the district plan approved by the Deputy Commissioner (DC).
- Organize PM SVANidhi camps in each Census Town with the support of the Block Administration.
- Report Census Town-wise progress to the Lead District Manager (LDM) for review at the district level.

During the discussions, the **Chairperson** instructed banks and the concerned departments to encourage digital initiatives among the beneficiaries of the scheme.

(Action: All member Banks)

15.3: PMEGP performance as on 31.12.2025:

The Convener, SLBC informed that state has achieved 95% and requested member banks to clear the pending applications under PMEGP scheme which will help in generating more job opportunities to unemployed youth in the state.

(Action: All Member banks)

15.4: Recovery of bank dues under PMEGP:

The Convenor, SLBC informed the house that under PMEGP share of NPA was 22.40 % and the Chairperson requested the concerned departments to extend necessary support to banks for recovery as NPA percentage is very high in this scheme.

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

15.5: Performance under PM Vishwakarma Scheme: -

The Convenor, SLBC informed the house that as on 31.12.2025, banks have sanctioned 1,24,916 applications amounting to ₹988 crore under the PM Vishwakarma Scheme.

The Chairperson advised banks to give priority to cases that have been sanctioned but are yet to be disbursed, **and ensure early disbursement of such applications.**

The Secretary, Finance Department, Government of Karnataka expressed concern over the pendency with Karnataka Bank, particularly with regard to both sanctions and disbursements, and advised the bank to take necessary steps to improve its performance under the scheme.

AGENDA NO - 16

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

The Managing Director, RGHCL informed the forum that 19,936 applications have been submitted to banks under the scheme. Out of these, 4,210 applications have been sanctioned by banks, whereas 885 applications have been disbursed so far.

The Project Director (PD), Ballari, informed the forum that Allotment Letters (Hakku Patra) will be issued to 624 beneficiaries within the next two months, as infrastructure works such as UGD, electrification, STP, and water supply have been completed.



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The PD, Basavana Bagewadi, Vijayapura District, informed the forum that the delay in issuing Hakkupatra (Allotment Letters) is mainly due to the delay in receipt of beneficiary contributions and delay in completion of infrastructure works. He further informed that 109 houses will be handed over in March, and 250 houses will be handed over subsequently in April.

The PD, Basavana Bagewadi also informed the forum that there are 35 NPA accounts under the Basavana Bagewadi project. In this regard, they will collect the beneficiary contributions and remit the same to the banks to regularize the accounts.

The Chairperson expressed concern over the slow progress in disbursement, stating that only 885 disbursements have been made against 4,210 sanctions, which is not satisfactory. and instructed the banks to expedite the disbursement process and clear the pendency at the earliest.

The Chairperson also instructed banks to obtain the Tripartite Agreement at the time of sanction and not before the sanction of the loan.

(Action: RGHCL and all Banks)

16.2: Performance under PM Surya Ghar – Muft Bijli Yojana (PMSGMBY) Scheme

The Convenor, SLBC informed that as of 31.12.2025 banks have sanctioned 4761 applications amounting to Rs.99 crores.

The Chairperson advised SLBC to provide agewise breakup of pending applications in the ensuing SLBC meeting.

AGENDA NO - 17

Review of progress of actions taken by banks regarding refund of Gruhalaxmi Scheme payments released after death of beneficiary:

The Convenor, SLBC informed the house regarding the status of refund of amounts credited to deceased Gruhalakshmi (GL) beneficiaries. As per Government of Karnataka data, the details are as under:

- Total number of deceased GL beneficiaries: 1,14,067
- Amount involved: ₹66.05 crore

Out of the above:

- No. of beneficiaries credited after death (A): 56,548
- No. of beneficiaries not credited after death (B): 57,519

Regarding refund status:



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- Amount remitted by banks to GoK (as per new e-Governance procedure): ₹0.43 crore
- Amount remitted by banks to GoK (as per W&CD procedure): ₹2.87 crore
- Total remittance to GoK: ₹3.30 crore

The Convenor, SLBC further informed that banks are facing operational difficulties in remitting the amounts to the Government of Karnataka under the existing procedure, as the process is complicated and time-consuming.

In this regard, SLBC has requested the CEO, Centre for e-Governance on 14.01.2026 to simplify the procedure by providing a single nodal account, which would enable banks to remit the amount in bulk.

Responding to this, **the Secretary, Finance Department**, Government of Karnataka informed that the proposal for opening a single common account has been placed before the concerned department for approval and is currently awaiting approval.

AGENDA NO - 19

Status of Rural Bank Branch closure/merger/shifting:

The Convenor, SLBC informed that SLBC has not received any request for Rural Bank Branch closure/merger/shifting from LDMS.

AGENDA NO - 20

Issues remaining unresolved at DCC/DLRC meeting :

The Convenor informed SLBC has not received any unresolved issues from LDMS.

AGENDA NO - 21

Sub Committee meetings held during the review period:

The Convenor, SLBC informed the house that, sub-committees on Recovery and Rehabilitation and Weaker Sections (State Bank of India) for Sep 2025, Sub-Committee meeting on on Retail Loans for Mar, June and September 2025 (Bank of Baroda).

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

(Action: SBI, BoB)

AGENDA NO - 21

21.1 SVAMITVA (Survey of Villages and Mapping with Improved Technology in Village Areas) Scheme:



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The Convenor, SLBC informed the house that demarcation of abadi areas under the SVAMITVA Scheme would be carried out using drone surveying technology, through the collaborative efforts of the Ministry of Panchayati Raj, State Panchayati Raj Department, State Revenue Department and the Survey of India. He further stated that SLBC has requested the State Government to initiate necessary legislative changes so that property cards issued under the SVAMITVA Scheme confer absolute ownership rights to the holders with unconditional right of transfer, which would enable banks to consider such property records for lending purposes.

The Chairperson instructed the Revenue Department and the Panchayati Raj Department to jointly examine the issue and work together to resolve the matter.

21.2. Implementation of Kannada language by Banks.

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

1) Availability of account opening forms, loan applications, challans etc., should be in Kannada language in all the branches.

2) Use of Kannada language in bank ATMs, BNAs, Sign boards, letter heads, bank/branch seal and in RSETIs/RUDSETIs and FLCs.

Member banks to ensure imparting Kannada language training to non-Kannada employees.

(Action: All Member Banks & LDMs)

21.3: Performance review of Central Sector Interest Subsidy (CSIS) scheme

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

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

21.4 Performance under Animal Husbandry under Animal Infrastructure Development Fund:

The Convenor SLBC informed the house that the scheme is being launched under the Atmanirbhar Bharath Package and advised all the bankers to publicise the scheme at branches level.

The Chairperson advised Banks to provide the data for meaningful review.

21.5: Implementation of Pradhan Mantri Matsya Sampada Yojana (PMMSY)

The Pradhan Mantri Matsya Sampada Yojana (PMMSY), implemented by the Department of Fisheries, GoK, aims at sustainable development of the fisheries sector through credit-



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linked activities such as aquaculture, hatcheries, cold chain and marketing infrastructure. Banks play a key role in extending credit under PMMSY.

21.6: Campaign to Facilitate Efficient and Faster Settlement of Unclaimed Funds:

The Government of India has launched a comprehensive campaign titled “Apki Poonji, Apka Adhikar” (Your Money, Your Right), with the primary objective of returning unclaimed financial assets to their rightful citizen owners. Coordinated by the Department of Financial Services, Ministry of Finance, in collaboration with regulatory bodies including the RBI, SEBI, PFRDA, and IRDAI, the initiative will be operational from October 1st, 2025, to December 31st, 2025. This drive is specifically designed to assist individuals in retrieving their unclaimed deposits and other idle financial assets currently held by various institutions such as banks, insurance companies, pension funds, and market intermediaries.

Progress as on 31.12.2025

Number of Accounts	Amount (in ₹ Cr)
109514	821.63

21.6 Success Stories:

The **Convenor, SLBC** informed the house about the success story of Malgudi Amrutha Chaha, an enterprise that has been empowering rural and underprivileged youth through meaningful employment.

He stated that Malgudi Amrutha Chaha was founded by Mrs. Nethra Huggi and co-founded by Mr. Shivarajkumar H in April 2021, with a vision to serve healthy and affordable tea rooted in tradition using premium tea powder, providing a flavorful and refreshing experience to customers.

He further informed that the enterprise had availed financial assistance from State Bank of India, which supported its growth and expansion.

At present, Malgudi Amrutha Chaha has expanded to 83 outlets across Karnataka and is providing employment to around 300 people, thereby contributing to entrepreneurship development and livelihood generation in the State.



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SLBC – KARNATAKA

LIST OF PARTICIPANTS

174th SLBC Meeting held on 03.03.2026

Sl. No.	Name Shriyuths -	Designation	Organization
1	Smt. Uma Mahadevan	Additional Chief Secretary and Development Commissioner	Govt of Karnataka
2	Shri Bhavendra Kumar	Executive Director	Canara Bank
3	Smt. Kaya Tripathi	Regional Director	RBI
4	Dr. Vishal R	Secretary to Govt. FD (Fiscal Reforms)	Govt of Karnataka
5	Shri. Y S Patil	Commissioner, Agriculture	Govt of Karnataka
6	Shri. V V Jyothsna	MD, NRLM	Govt of Karnataka
7	Ms. Shwetha Rao	Director, DFS	Govt of India
8	Dr. Surendra Babu	Chief General Manager	NABARD
9	Shri. Shambu Lal	Chief General Manager	Canara Bank
10	Shri Bhaskara Chakravarthy M	Convenor	SLBC-Karnataka
11	Smt Meenakshi Ganju	General Manager	RBI
CONVENOR – Canara Bank			
12	Pradeep Kumar H	Divisional Manager	Canara Bank
13	Ravikumar T N	Senior Manager - SLBC	Canara Bank
14	Vidya M	Manager – SLBC	Canara Bank
15	Chethan K S	Manager – SLBC	Canara Bank
16	Harsha H R	Manager – SLBC	Canara Bank
17	Akhil R	Manager – SLBC	Canara Bank
18	Ragavendran R	Manager – SLBC	Canara Bank
MEMBER BANKS AND STATE GOVT DEPARTMENTS			
19	Mahesh M Pai	Chief General Manager	Canara Bank
20	Prafull Kumar Jena	General Manager	State Bank of India
21	Pankaj Tripathi	General Manager	Indian Bank
22	C V Sudheer	Deputy General Manager	Union Bank of India
23	V Sripurna	Deputy General Manager	Bank of Baroda
24	Anita Nair	Deputy General Manager	Bank of India
25	Vikas Vasishta	Deputy General Manager	State Bank of India
26	S Suresh Prabhu	Deputy General Manager	State Bank of India



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27	M Arumugam	Deputy General Manager	Indian Bank
28	Saket Kumar	Assistant General Manager	NABARD
29	Arun Kumar P	Assistant General Manager	RBI
30	Ragavendra Rao	Assistant General Manager	State Bank of India
31	Bhoopendra Singh	Assistant General Manager	Indian Bank
32	Satish Kumar D	General Manager	Karnataka Grameena bank
33	Chandrashekar B	Chief Manager	State Bank of India

34	Sunil Kurthkoti	Financial Advisor	GoK
35	Annapura K	COO, Sanjeevini, KSRLPS	NLM
36	Parshuram Shinnalkar	M D RGHCL	Housing, RGHCL
37	K N Shiva Prakash	MD, KAPPEC	GoK
38	Nancy Sharma	AD (Operations)	WDRA, GoI
39	Ragavi V N	Project Officer, DJAU-S	GoK
40	Chandrashekar	Spl.Secretary, RDPR	GoK
41	Dr. Afzal Pasha	GM	KMDC
42	Dr. Mohan Kumar	Joint Director	KMF
43	S Prakash	RDP Head	Karnataka Bank
44	Kamal Kant Verma	Chief Manager	Punjab and Sind Bank
45	Ganesh K j	Additional Director, Fisheries	GoK
46	Narayana K Naik	JD	GoK
47	Ravi M Shygali	KAPPEC	KAPPEC
48	Puttaraju M	Gis	R G H C L
49	Ganga S Rudraksi	SDE, RGHCL	RGHCL
50	Chethana K	Sr. Manager	Bank of India
51	Rubavel	Spm-FI (NRLM)	Sanjeevini KSRLM
52	Bhuvaneshwari Prasad	Senior Manager	Axis Bank
53	K Venkata Anil	Regional Head - VP	HDFC Bank
54	Prashanth Kumar	AGM	ICICI Bank
55	Manku Bhattacharjee	Associate Leadership	ICICI Bank
56	Priyam Sarkar	Regional Business Head	Kotak Mahindra Bank
57	Sandeep Tiwary	AGM	Bank Of Baroda
58	Dwarakish N C	Chief Manager	Bank Of Baroda
59	Meena Kumari J N	Deputy General Manager	KSC Apex Bank

Other participants from Banks and Line Department through VC



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GLIMPSE OF THE MEETING



Internal