**STATE LEVEL BANKERS’ COMMITTEE : KARNATAKA**

**Convenor – SYNDICATE BANK : CORPORATE OFFICE : BENGALURU**

**MINUTES OF THE 137th MEETING OF SLBC HELD ON 30.3.2017**

The 137th SLBC Meeting was held on 30th March 2017 at the Conference Hall, Vidhana Soudha, Bengaluru under the Chairmanship of Sri Arun Shrivastava, Managing Director & Chief Executive Officer, SyndicateBank.

The Chairman-SLBC extended warm and hearty welcome to Sri Subhash Chandra Khuntia, Chief Secretary, GoK, Sri T.M. Vijay Bhaskar, Addl. Chief Secretary and Dev. Commissioner : GoK; Sri Thotngam Jamang, General Manager : RBI, Sri M.I. Ganagi, Chief General Manager : NABARD. He also extended cordial welcome to Principal Secretaries, Secretaries to Govt of Karnataka, Senior Executives from Reserve Bank of India and NABARD, Senior Officers from the State Govt, representing various Line Departments, Corporations and Boards, Senior Executives from Commercial Banks, Co-operative Banks, Chairmen of RRBs, Lead District Managers other Financial Institutions, UIDAI, General Insurance Companies, NGOs & other participants present in the meeting.

**Sri Arun Shrivastava, Chairman-SLBC & Managing Director & Chief Executive Officer, Syndicate Bank** in his key note address said that under **Karnataka Raitha Suraksha Pradhan Mantri Fasal Bima Yojana,** 11.79 lakh farmers have been enrolled during Rabi-Summer 2016-17 of which 10.28 lakh are non-loanee and 1.51 lakh loanee farmers. Further, he informed that 85,189 proposals of 17 Banks have been rejected by M/s. Sriram General Insurance Co. for Rabi 2016-17 and he requested them to have a practical approach and resolve the issue.

**On the issue of 1% Interest Subvention Scheme of Govt of Karnataka,** heinformed the House that, GoK has released 28.50 cr., which has benefitted lakhs of farmers. Post Demonetization, Govt of India has decided to provide an additional grace period of 60 days for prompt repayment incentive of 3% to those farmers whose crop loan dues are falling between 1st November 2016 and 31st December 2016, if such farmers repay the same within 60 days from the above period. He sought the clarification from GoK on extension of additional grace period of 60 days for the farmers availing 1% interest subvention for prompt repayment of crop loans up to **`** 1.00 lakh for year 2016-17.

On the issue of **providing relief measures to the distressed farmers,** he requested all the bankers to extend relief measures following the directions of Hon’ble Supreme Court of India and the guidelines issued by RBI. He said that in some of the Districts, farmers are not submitting letters for rephasing and reschedulement of their loans and this is coming in the way of providing relief measures to such farmers.

On the issue of **Financial inclusion initiatives,** he informed that the GoI envisages transfer of all individual benefits through Aadhaar based DBT Scheme from 01.04.2017 and hence the Govt of Karnataka, Banks & LDMs have given emphasis on Aadhaar / Mobile seeding and issue of RuPay cards and its activation to enable smooth flow of DBT to all the beneficiaries.

Touching upon the issue of **Promoting Cash less transactions,** he said that the stake holders have successfully organised Digi-Dhan Melas and the Melas proved to be useful to the public. He further said that as part of the exercise, a scheme to reward consumers and merchants, who are using / have used digital transaction modes after 8.11.2016, has been framed by NITI Aayog. The scheme will lead upto 14th April 2017 (coinciding with Dr Baba Saheb Ambedkar’s Jayanthi), with a Mega Draw. He requested the bankers to put in their best by way of Aadhaar / Mobile Seeding, spreading the net work of PoS Machines and encouraging AEPS. He requested Banks to come out with definite action plan to identify few GPs and Banks having Lead Bank responsibility to identify One District for transformation as Model Digital Panchayat / District for Digital Payment Award as per DFS directions.

**Touching upon Performance under Annual Credit Plan 2016-17**, he observed that the performance upto the Qtr ended Dec 2016 is quite satisfactory in spite of continuing drought situation in the State.

He further informed that ACP 2017-18 has been launched in majority of the Districts. As per the data compiled on provisional basis, the ACP under Priority Sector Advances works out to `1,59,311 cr, against the outlay of `1,35,188 cr for 2016-17, showing an increase of 17.84%.

Taking up the issue of **Performance under implementation of MUDRA & Stand Up India and other govt. sponsored schemes,** he expressed his happiness that Karnataka State remains **No.1** as far as amount disbursed since inception under MUDRA scheme. He further said that Karnataka has become the **first State in the country** to achieve the financial target ahead of time in SHG-Bank Linkage under NRLM.

He further said that in the SLBC Web portal, it is found that still most of the Banks are yet to complete the updation of the portal, thereby desired outcome has not resulted from introduction of the portal. He requested the member Banks to give utmost priority for updation of the portal.

Later on, the **Addl. Chief Secretary & Dev. Commissioner, GoK** addressing the House, complemented the Bankers for their cooperation extended in enrolling 12 lakh farmers under Rabi–Summer 2016-17 and sought the same cooperation in the ensuing Kharif 2017. The GPs, PACs & RSKs will also involve in enrolment / obtaining applications, data entry and assist the Banks in data entry by sending soft copies of the applications.

He said that the complaints are being received on appropriation of input subsidy / subsidy under Govt sponsored Schemes / wage payments received under MGNREGA to the loan accounts. He observed that, this will hamper implementation of these schemes. He informed that input subsidy is being given to farmers to grow the next crop.

He congratulated the Banks for achieving the targets ahead of the time under SHG-Bank Linkage and called upon the Bankers to do still better as the State Govt is extending interest free loan to Women SHGs as announced in the Budget 2017-18.

On the issue of enrolling Bank Sakhis as BCAs, he quoted the example of AP, where SBI has entered into MoU with the State to utilize the services of Women SHGs as BCAs, which has helped to extend the banking services to remote areas. He suggested SLBC to take forward the issue on the lines of AP in Karnataka to involve women SHGs as Bank Sakhis on large scale. He said that there is a programme of Karnataka Govt to utilize Fair Price Shops (FPS) as BCAs. He requested NABARD to assist to install PoS machines in FPS, Nandini Booths and Hopcom Outlets. RDPR Dept was informed to furnish the list of GPs where ATM / Bank Branches need to be opened to enable the Bankers to take necessary steps.

He informed that some of the Banks are charging service charges for payment effected by the Govt into the Bank a/c of the beneficiaries. Direct payments to the Bank a/c does not have cost as they are digital payments, he requested SLBC / RBI to issue suitable instructions in this regard.

Thereafter, the **Chief Secretary, GoK** in his address informed that as the Banks are having good network of Branches in the State, he requested the Banks to focus on financing income generating activities so as to raise the income level of the farmers. He expressed his concern on the drop of CD Ratio by 4% y-o-y. He suggested for Bank-wise/Geographic-wise analysis for improving the CD Ratio. He complemented the Banks for the satisfactory performance in all the sectors and surpassing the annual targets under MSME.

He requested the Bankers to go through the latest Karnataka Budget schemes on agriculture, rural development, horticulture, sericulture, small and medium industries and be a partner and collaborator in ensuring budget outcomes are achieved.

He informed that the Banks have performed well in majority of the Govt sponsored schemes, while the performance under schemes like NULM, RGCY is very poor. As these schemes are providing livelihood and increase the income of the beneficiary, he requested the Banks to implement the schemes of NULM & NRLM effectively.

He complemented the officers who developed the Portal for DBT, Samrakshane, Parihara, the model portals which can be made use of by other States also. He said there were some hiccups in the beginning of Samrakshane portal and now there has been tremendous improvement and suggested for fixation of time line for settlement of claims. Intervening in the discussion, the ACS, Housing informed that the delay in settlement of claims is due to internal issues of the Dept in completing the process of crop cutting experiments, etc. The ACS ensured that the issues will be sorted out in the Kharif 2017.

Further, with regard to settlement of claims under crop insurance, he suggested that the Agriculture Dept to initiate action to settle the claims on the lines of “Sakaala” services.

Later on the **General Manager, Reserve Bank of India** in his address urged upon the Banks to take relief measures in the drought affected areas as the time remaining is very less and requested Bankers to pursue restructuring and rescheduling as much as possible.

On the issue of Financial Literacy camps, he said that RBI has revised the policy on conduct of camps by FLCs and Rural Branches where focus is given on digitization. He informed that on 23.3.2017, they have conducted digital awareness programme for FLC counselors with the main emphasis for the use of digital mode of transaction. One of the most important mode is UPI implemented through NPCI, which is far more efficient compared to credit and debit cards and can be used by anybody including illiterates. FLC counselors are to be trained / educated on use of UPI system, to enable them to transact efficiently. He requested SLBC to fix the timeline to open the Branches in the remaining centres allotted to Banks.

Thereafter, the **CGM, NABARD** in his address said that NABARD has achieved ` 15000 cr during 2016-17 by way of refinance and loans to State Govt., which is one among the top 3 States in the country in terms of volume of business. He said that NABARD has crossed 4 digit barrier under RIDF by disbursing ` 1054 cr. this year. Under Term loan disbursed ` 7000 cr., which is highest in the country. In respect of crop loans, initial allocation was ` 3130 cr. Subsequently, it was enhanced to **`** 4800 cr. He expressed that the limit will be utilized by Coop Banks across the State. He informed that financing to Solar pump sets by the Banks is No.1 and it is 40% of its total lending in the country. The RRBs in the State stood first in the country in issuing RuPay cards to all KCC limits. The Coop Banks are also doing well in this regard compared to Coop Banks of other States and they are expected to issue RuPay cards to all the KCC limits by April 2017.

Talking on Doubling of Farmers’ Income by 2022,he said that the issue is to be discussed in all the SLBC / DCC meetings. He informed that the integrated farming system is the main solution for doubling of farmers’ income. It was informed that, in the State 75% of the farmers belongs to SF and MF category and at the national level it is 85%. He requested the controlling offices of Banks to instruct the Branches to promote integrated system of farming to increase the income level of the farmers. He called upon the Banks to entertain proposals under subsidy schemes of Horticulture, DEDS, etc., which will help farmers to increase their income.

Concluding his address, he informed that the State Credit Seminar was held on 21.2.2017 under the chairmanship of the Chief Secretary and assessed the potential of **`** 179000 cr under priority sector for the year 2017-18 and of which, **`** 91900 cr is under agriculture. He requested the Banks to make allocation for Term Loans in their credit plan.

Reacting to the issues raised by the dignitaries, the Chairperson-SLBC replied as follows:

**CD Ratio :**

The dip in CD Ratio is not restricted to Karnataka only. Due to demonetization lot of amount is being received into the a/cs, but credit could not take off as the Branches were struggling crisis management / cash management.

**Reduction in progress under credit flow to Weaker Section & SC/ST category :**

The issue will be taken up in the SLBC Sub-Committee meetings and with the Banks for improving the advances.

**Appropriation of subsidy to loan accounts :**

SLBC has taken up the issue with DFS & RBI for clarification and the same will be communicated to the member Banks.

**FPS as Business Correspondents :**

The issue of existing BCs and enrolling of FPS as BCs has been referred to IBA as the cost of transactions effected and payment of minimum remuneration is involved. He requested the GoK to furnish the list of willing FPS to function as BCs.

Reacting to this, the CS suggested SLBC to engage FPS as BCs where BC is not functioning in that locality.

**Poor response for rescheduling and restructuring of loans:**

This is due to unwillingness of farmers to submit their requests for reschedule / restructure of loans and they are under the impression that they would be devoid of benefits of debt waiver if at all it happens in due course. He also opined that, there is need for flow of investment credit to farmers to take up income generating activities to mitigate the drought situation

On the issue of charging of service charges on digital transactions, he said that it is difficult to waive of the fees / service charges as bankers are working on thin margin.

Thereafter, regular Agenda was taken up for deliberations by Sri M. Mohan Reddy, the Convenor-SLBC & General Manager, Syndicate Bank.

**AGENDA 1.0 : CONFIRMATION OF THE MINUTES OF 135th SLBC MEETING**

 **HELD ON 19.9.2016**

The minutes of 136th SLBC Meeting held on 31.12.2016 (to review the performance as on September 2016) were circulated vide letter No. 047/2017/2944/SLBC/101-136 dated 18.01.2017. The Minutes were approved as no suggestions for amendments were received.

**AGENDA 1.1 : FOLLOW-UP ACTION ON THE DECISIONS TAKEN DURING THE**

 **PREVIOUS SLBC MEETING**

The action taken on the various action points during the previous meeting were taken note by the House and the Convenor has reiterated the following issues for action.

* On the issue of recovery, as suggested by the ACS & DC, Sub-Committee Meeting on Recovery under his Chairmanship was convened on 15.2.2017, where the following issues were discussed.

- Appointment of Special Tahsildars for recovery of loans in Ballari, Koppal, Raichur, Kalaburgi, Vijayapura, Belagavi, Haveri, Kolar, Chamarajanagar, Chickballapura, Chickmagalur & Chitradurga Districts. The ACS & DC has addressed a letter to the Pr. Sec., Revenue in this regard.

- To assist the Banks in recovery under SARFAESI/DRT/Lokadalat. The ACS & DC has addressed a letter to all the Dy. Commissioners vide letter No.46/2017 dt 27.2.2017 in this regard.

- Educating the farmers to renew their loan accounts by Dept of Agri & Horticulture as and when crop insurance is being settled so that they can get interest subvention.

* On the issue of review of progress under Govt Schemes, a Special Meeting under the chairmanship of ACS & DC was conducted on 17.1.2017. It was decided that the Departments where selection committee is headed by MLAs to persuade them to finalise selection of beneficiaries at the earliest and to sponsor the proposals to Banks. To bring uniformity in reporting the progress by the Line Departments under Govt. Sponsored Schemes, as resolved, SLBC has devised the format and circulated to all the Line Depts along with the minutes of the meeting.
* Banks had requested SLBC to take up with RBI to extend cap period of 90 days by another 30 days in order to have sufficient time for restructuring in view of demonetisation. SLBC has taken up the matter with RBI. In response, RBI has communicated the extension of time upto 31st March 2017 and accordingly, SLBC has communicated to all the Banks and LDMs.

**AGENDA 2.0 : FINANCIAL INCLUSION**

**I. Seeding of Aadhaar & Mobile Numbers in Savings Bank accounts**

The progress was reviewed in -

(1) State Level Task Force Committee meeting convened on 27.1.2017 under the chairmanship of the Mission Director, DBT Cell & the ACS.

(2) VC with Dy. Commissioners, held on 3.3.2017 under the chairmanship of the Pr. Secretary, Revenue Dept.

(3) State Level Financial Inclusion Committee (SLFIC) under chairmanship of ACS & DC with representation from Banks, DFS and other stakeholders on 7.3.2017. In the meeting all the Depts were advised to complete the process of seeding of Aadhaar & Mobile Numbers into the Bank accounts of the beneficiaries before 31st March 2017,as GoI envisages transfer of all individual benefits through Aadhaar based DBT Scheme from 01.04.2017. Line Departments were informed to make arrangements for obtention of consent letters.

Representative from UIDAI requested that Aadhaar number should not be placed in public domain. The ACS & DC advised the Department of Agriculture and Horticulture to take care in this regard in Parihara and Samrakhshane portals.

**(Action : Line Depts)**

**II. Organising Camps for Aadhaar & Mobile seeding into the SB Accounts**

In tune with GoI directions to all the Chief Secretaries of the States and MD & CEOs of Banks to launch a drive in campaign mode in March 2017 for seeding of Aadhaar / Mobile number in all operational SB A/cs, all the LDMs have conducted District Level Coordination Committee (DLCC) meeting involving Bankers and Line Departments under the chairmanship of Dy. Commissioners.

Bankers have informed that, in some of the Districts, the Bank Branches are being given a list of SB accounts and Aadhaar numbers from Tahsildars / other Govt offices with an advise to link the listed Aadhaar numbers to the Bank accounts. No consent letter and copy of Aadhaar card is being provided in these cases. DFS has advised the Banks vide their letter dated 2.3.2017 to ensure that the consent of the account holder is invariably obtained for seeding of Aadhaar. Hence, the Departments were requested to arrange for providing the consent letters of the beneficiaries to enable the Bank Branches to seed the Aadhaar number into their SB a/cs.

The LDM, Dharwad sought to know whether the multiple seeding of Aadhaar is possible. Reacting to this, the Chairman-SLBC informed that multiple accounts may be seeded with Aadhaar. However, for all practical purposes, the last account seeded with Aadhaar will be considered as Aadhaar seeded.

The ACS, Housing suggested the Line Departments to give in bulk data of accounts to NPCI to cull out the unseeded accounts based on the Aadhaar. The House took his suggestion and advised the Dept to arrange to submit the data to NPCI to do the needful.

**(Action : Line Depts)**

**III. The scheme-wise progress is as follows:**

1. **MGNREGA:**

As per the information provided by the Dept., out of the 64,90,882 active workers, 57,28,104 have been seeded with Aadhaar number, with a percentage of 88.25 as on 16.3.2017. The Principal Secretary, RDPR informed that though the Aadhaar seeding is 88.25%, Aadhaar based payments is only 38.23% where as the national average is 41.36%. She informed that the State is lagging behind and requested the stakeholders to concentrate on this issue as it was discussed in various forums. She informed that lot of misappropriation is observed in joint accounts and hence she sought the cooperation of Banks in opening separate individual accounts. As more MGNREGA works have been taken up in Ballari, Ramanagar, Gadag and other Districts the task of opening of individual accounts and seeding of Aadhaar to be taken up on war footing.

**(Action : Banks & Line Depts.)**

1. **Social Security Pensions:**

The Dept has informed that there are 56.95 lakh Social Security Pension beneficiaries in the State and of which 12.30 lakh beneficiaries receive pension through Banks and remaining 44.65 lakh beneficiaries through Post Offices. On segregation of the data of 12.30 lakhs, it was found that 4.22 lakh a/cs are Aadhaar seeded and 8.08 lakh A/cs unseeded. The data has been provided to the Banks, Line Departments & LDMs with a request to follow up for Aadhaar & Mobile seeding.

**c) Schemes of Backward Classes Welfare Dept & Social Welfare Dept:**

Backward Classes Welfare Department – Pre-matric scholarship – Out of 338901, 140612 students accounts are seeded with Aadhaar. Post-matric scholarship – Out of 349509, 172348 students accounts are seeded.

Social Welfare Department - 1Pre-matric, (ii) Post-matric, (iii) Prize money – with total beneficiaries of 14.70 lacs. Out of the Pre-matric, 9th & 10th standard scholarships are funded by GoI and rest by GoK. Post-matric scholarship students numbering around 3 lacs are shared by Centre & the State.

The representative from Backward classes Department informed that there are 14.7 lakh NSAP beneficiaries of which 10 lakh beneficiaries are receiving benefits through EMOs and remaining 4.7 lakhs through Bank accounts. Out of the 4.7 lakh Bank accounts, 54744 accounts are yet to be seeded with Aadhaar and said that the data has been shared with the concerned Banks. The Department was suggested to approach the concerned beneficiary to get consent forms and get seeded their accounts with Aadhaar.

The Pr. Secretary, Social Welfare Department, GoK informed that there are 39,63,370 EMOs and for 21,44,098 accounts have been opened and seeded with Aadhaar. Primarily they want to go for 10 lakh NSAP accounts, of which 6 lakh accounts have been opened and also seeded with Aadhaar. He informed that wait and watch policy is being adopted by the pensioners who are reluctant to open the accounts and they are under the impression that they would receive their pension through MO without any problem. As majority of pensioners are getting pension through EMO, the major task is to convert EMOs in to Bank or postal accounts. It was suggested to insist for Bank or Postal accounts to stop EMOs.

**(Action : Line Depts)**

**IV. Financial literacy camps held**

The House was informed that during quarter ended Dec. 2016, 170 FLCs have conducted 2071 Special camps and 3797 target group specific camps and 2827 Rural Bank Branches have conducted 2930 Special Camps and 4023 target specific camps comprising farmers, SHG & JLG member’s students and unorganized sectors.

**V. Promoting Cash less Transactions – Organising Digi-Dhan Melas**

**– Lucky Grahak Labh & Digi Dhan Vyapar Yojana**

In tune with GoI guidelines, for promoting cash less transactions, e-Governance Dept, GoK in association with Banks & other stake holders had organised Digi-Dhan Melas at Bengaluru on 16.1.2017, at Mangaluru on 25.1.2017, at Mysuru on 10.2.2017 & at Hubli on 25.2.2017. Camps proved to be useful to the public.

The Convenor informed that the process will lead upto 14th April 2017 and requested banks & e Gov, GoK to initiate necessary action as per the guidelines enumerated in SOP.

**(Action : Banks)**

**VI. Digital Payments – Strategies to be adopted by Banks & Govt**

The Convenor requested the Banks to identify Gram Panchayats and One District for transformation as Model Digital Panchayat / District for Digital Payment Award. DFS has taken up the issue with all the CEOs of the Banks. In the above context, SLBC has advised the Banks to give particular attention to delivery of all undelivered RuPay cards and PINs, Seeding of Aadhaar & Mobile Number in SB accounts, availability of live PINs with the customer, facilitation of cardholders in swiping the card at the Branch, ATM, micro-ATMs or PoS, financial literacy to ensure how to use the card.

 **(Action : Banks / Line Depts.)**

**VII. Performance under PMJDY:**

The progress under the scheme as on 31.3.2016 and 15.03.2017 was furnished to the house. Totally 72.88 lakh accounts have been seeded with Aadhaar against 106.01 lakh accounts opened, covering 68.75%. Out of total 92.72 lakhs RuPay cards issued, 72.00 lakhs are activated. The percentage of activation is 77.66%. The Bank-wise/District-wise details as on 15.3.2017 was presented to the house.

**(Action : Banks / LDMs)**

**VIII. Performance under Social Security Schemes**

The Progress in enrolment of applications as on 28.2.2017 was furnished to the house. Totally, 28.43 lakh accounts under PMJJBY, 62.25 lakh accounts under PMSBY and 2.79 lakh accounts under APY were enrolled and totally 6732 claims have been settled. The Bank-wise / District-wise status as on 28.2.2017 of the 3 schemes was furnished to the house.

IX. Road map for Opening of Brick & Mortar Branches in villages with population

 more than 5000 without a Bank Branch of a Scheduled Commercial Bank

In the SLFIC meeting held on 7.3.2017, ACS & DC, GoK reviewed the bank wise progress and advised the allottee Banks to take note of opening Bank Branches before stipulated time-line. It was informed to the House that out of the remaining 210 villages, 20 B&M and 131 USBs have been opened. As of now still 59 Branches / USBs to be opened. Due to the process of merger of Associates Banks with State Bank of India, opening of B&M / USBs allotted to SBM & SBH could not be completed within the timeline. He requested SBI and other allottee Banks to take steps to open the Branches in the remaining centres allotted to them immediately.

The Chairman-SLBC requested the allottee Bank to ensure opening of either a full-fledged Branch or a Ultra Small Branch immediately.

Bank-wise/District-wise status of coverage was furnished to the house.

X. Financial Literacy Centres (FLCs):

Even now, Corporation Bank (1), State Bank of Hyderabad (5) & Andhra Bank (1) are yet to open FLCs in the allotted 7 centres. The concerned Banks were requested to open FLCs immediately. State Bank of India is requested to open FLCs at 5 centres allotted to SBH, post-merger with SBI.

**(Action : Corporation Bank / SBI /Andhra Bank)**

The Chief Secretary, GoK observed that linking of SB a/cs with Aadhaar & Mobile Number the progress was 56% and 79% respectively, which is not satisfactory. He advised to complete the same by another month’s time. He informed that the issue of RuPay cards and their activation to all the operational SB A/cs including KCC Card holders, conversion of FPS to Business Correspondents, ensuring at least one BC per GP and on boarding of merchants to digital platforms are the important issues to be tackled to move towards less cash / cashless economy. He said that Top 10 Districts in the country and performing GPs in cash less / digital transactions will get awards from GoI. He advised the stakeholders to strive for securing maximum number of awards for Districts / Panchayats as Karnataka being the leader in IT. He sought the cooperation of the Banks and informed that he has already instructed all the DCs to take it as a challenge to complete the task taking along LDMs, Bankers and Line Departments. He also requested NABARD to assist the Govt in procuring PoS machines in the State.

He advised to continue this process in the month of April 2017 to ensure 100% seeding. Similarly, the digital financial literacy awareness programmes spearheaded by NABARD will also continue in the month of April 2017 to achieve the desired results.

On the suggestion of the Chief Secretary on assistance to PoS machines, CGM : NABARD said that grant of **`** 6000/- per machine is available for category 5 & 6 centers. He informed that most of the Banks have indented for required number of machines.

**(Action : NABARD / BANKS)**

**AGENDA 3.0 : PRADHAN MANTRI MUDRA YOJANA (PMMY)**

The Convenor was pleased to place on record that this year also Karnataka state remains No.1 in the country in the amount disbursed under the scheme. All the Banks were requested to continue their efforts in maintaining the No 1 position by entertaining eligible proposals under MUDRA and stick to the timeline prescribed for disposal of loan applications.

The Bank-wise progress under PMMY as of 18.03.2017 was furnished to the house.

**(Action : Banks)**

**AGENDA 4.0 : STAND-UP INDIA PROGRAMME**

The Convenor requested the Banks to accord priority for lending to SC/ST & Women beneficiaries as per the scheme guidelines. The Bank-wise Progress for the period 5.4.2016 to 28.02.2017 was presented to the House.

**(Action : Banks)**

**AGENDA 5.0 : KARNATAKA RAITHA SURAKSHA PRADHAN MANTRI FASAL BIMA**

 **YOJANA (KRS-PMFBY)**

The Convenor informed the House that in addition to the publicity given by the GoK, SLBC has also given wide publicity on behalf of all the Banks in Kannada daily “Kannada Prabha” on 27.12.2016 & in “Vijaya Vani” on 20.12.2016 requesting the non-loanee farmers to approach the Banks and other agencies for submitting proposals for crop insurance.

The progress under PMFBY Kharif 2016 and Rabi 2016-17 is being reviewed on weekly basis by DFS. All the Banks have entered the enrolment data in the Samrakshane Portal of GoK. The Dept of Agriculture, GoK was informed to take steps for pushing the data to central portal and initiate steps for claim settlement.

The enrolment particulars as on 27.12.2016 were presented to the House.

With regard to non-submission of large no. of proposals by Banks during Kharif 2016 and also large no. of rejections by M/s. Sriram General Insurance Co., during Rabi 2016-17, meetings were held on 18th February 2017 & 4.3.2017 under the chairmanship of ACS, Horticulture & Sericulture Department to resolve the issue.

In the meeting, the matter of non-submission of large number of insurance proposals by Banks received under PMFBY Kharif 2016, numbering to 1,29,360 was deliberated and also the matter of large number of rejections of proposals by M/s Sriram General Insurance Company during Rabi 2016-17 was also taken up. As decided, SLBC has submitted the consolidated letters/reports to GoK, received from banks on **returning of premium and rejecting of proposals by** M/s Sriram General Insurance Company on unreasonable grounds. Further, it was informed to all the banks to submit the eligible proposals (inclusive of all those returned by the Company) to the concerned company before 10.03.2017 for Kharif 2016 and 18.03.2017 for Rabi 2016-17 and department will make necessary arrangements to keep the portal open.

The House deliberated on the issue and requested M/s. Sriram General Insurance Co. to accept the proposals in the larger interest of farming community of the State.

1. **Pending proposals in Samrakshane for Kharif 2016**

As decided in the meeting held on 4.3.2017, the details were collected from the Banks in the format prescribed by the Dept., and the same are as follows.

* The total number of proposals pending in the Bank login is 8996
* The total number of proposals to be deleted is 6617
* No. of proposals for which premium has been transferred to Ins. Co. but proposals

 have not been forwarded

1. Within cut-off date are 3789 b) After cut-off date are 362
* The No. of proposals for which both premium and proposals have not been sent to Ins. Co. but premium / form collected from the farmers are 291

Reacting to this, the ACS, Housing informed that about 75,000 proposals are pending at Samrakshane portal for want of information whether the premiums have been paid or not. However, he assured the House that proposals whose premium paid within the cut-off date would be considered. He advised all the Bankers not to delay in pushing the data into insurance company and to Samrakshane portal. The Data should be shared within one month of the cut-off date.

1. **Rabi & Summer 2016-17**

The enrolment details of loanee and non-loanee farmers as on 22.2.2017 were presented to the House. Banks were requested to verify for correctness of SB a/c numbers of the farmers and upload the data to the portal before 18.3.2017 for Rabi 2016-17.

1. **Issues on Crop Sown Certificate :**

As per the information provided by Agri Dept : GoK in the 136th SLBC meeting, crop sown certificate is not required for either loanee or non-loanee farmers for enrolment. In the meanwhile, Dept of Agri has clarified that Crop Sown Certificate issued by Revenue Dept, stating that crops grown are in good condition is required. In the intervening period, Branches enrolled the eligible farmers without insisting for Crop Sown Certificate. Citing the GoK letter, informing that Crop Sown Certificate, Sri Ram Gen Insurance Co, has rejected proposals enrolled without Crop Sown Certificate. Under these circumstances, Convenor requested the Dept of Agri, to resolve the issue empathetically in the larger interest of the farmers in distress.

**(Action : Banks / Line Dept.)**

**AGENDA 6.0 : PROVIDING RELIEF MEASURES TO THE DISTRESS FARMERS**

The Convenor informed that the Government of Karnataka has declared 139 taluks as drought affected during Kharif 2016 and 160 taluks during Rabi 2016-17. The list of drought affected taluks has been communicated to all the Banks. Banks were requested to extend relief measures as per extant RBI guidelines.

He informed that the Banks are prepared to lend additional requirements by renewing the existing loan provided the farmers approach the Bank. SLBC had given wide publicity on behalf of all the Banks in Kannada daily “Kannada Prabha” on 27.12.2016 & in “Vijaya Vani” on 20.12.2016 requesting the farming community to approach the Banks for restructuring the loans availed and to avail the benefit of Interest subvention, personal accident insurance coverage and crop insurance.

Intervening, Chief Secretary, GoK observed that only a small portion of the loans are restructured / rephased and he suggested for further restructuring of loans wherever there is scope. He advised the Banks to act as friend, philosopher and guide to help the distressed farmers by way of rephasing, restructuring of existing accounts and to encourage adopting integrated farming to increase farmers’ income level.

The data on rescheduling /restructuring of accounts and fresh loans extended to the farmers was presented to the house.

The CGM : NABARD said that, as the State is reeling under drought situation for the last 2-3 years, we need to be careful in water use efficiency. He said that there are 7 vulnerable Districts identified based on the vulnerability index, where we need to focus on water usage & conservation campaign. The Districts identified are Tumkur, Vijayapura, Kolar, Chitradurga, Raichur, Bagalkot & Kalaburgi. For the campaign 9 master trainers will be trained, who in turn will train the volunteers at the District level to impart training on water use efficiency.

 **(Action : Banks)**

**AGENDA 7.0 : APPROPRIATION OF SUBSIDY / GRANTS TOWARDS LOAN A/CS**

The Convenor informed that SLBC has received representations from various quarters informing that some Banks are appropriating the subsidy / grant amount credited to the beneficiaries’ account by the Govt for the specific purpose of implementing Govt schemes, like payment of wages under MGNREGA, Milk proceeds, Agriculture Input subsidy to their loan accounts, which is coming in the way of implementation of the schemes.

Further he informed that, SLBC has received representation from the Hon’ble Former Prime Minister of India, Sri H.D. Deve Gowda addressed to the Hon’ble Finance Minister, Govt of India received through the DFS: MoF: GoI requesting to restrain the Banks from deducting loan amount from Milk Producers Milk Bill amount credited to their Bank accounts and also a Letter received from the Addl. Chief Secretary, Finance Department, Govt of Karnataka informing that the Banks are appropriating the beneficiaries’ contribution / subsidy portion of Govt towards beneficiaries’ overdues and requesting us to advise the Banks to desist from appropriating such amounts.

The Chief Secretary, GoK on the issue of appropriation of input subsidy / subsidy to the loan accounts, requested the Banks to issue strict instructions for not to adjust the input subsidy / subsidy to the loan accounts as they are released for specific purposes.

Referring to the issue of appropriation of benefits released by Govt to the loan accounts, GM RBI said that as the lien is not created against these benefits, the matter was referred to RBI central office to have a pan India view and to take cognizance of the issue for examination and issue necessary instructions to the Banks. It was advised to have sympathetic approach by the Banks, till the clarification is received.

**(Action : Banks /RBI)**

**AGENDA 8.0: KARNATAKA FARMERS’ RESOURCE CENTRE [KFRC]**

KFRC has conducted 73 training programmes involving 3823 participants during the fiscal 2016-17. The cumulative works out to 601 programmes and 40160 participants since inception.

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

Convenor informed that as decided and permitted by the Managing Trustee-KFRC and Convenor-SLBC, KFRC has filed Writ Petition with Hon’ble High Court Bench at Dharwad on 29/11/2016 and appealed for staying the order of BTDA Bagalkot for stopping the construction work. He further informed that the matter was discussed during the 18th meeting of the Board of Trustees held on 31.12.2016. As advised by the Managing Trustee, the ED, KFRC had contacted the Chief Engineer, BTDA and Dy. Commissioner, Bagalkot to persuade them to continue construction. However, it is learnt that BTDA has stuck to their earlier decision of KFRC for surrendering 6 acres of land. The Govt to advise BTDA to reconsider their decision.

**(Action: GOK/KFRC)**

**AGENDA 9.0: SLBC SUB-COMMITTEE MEETINGS HELD DURING REVIEW PERIOD**

Convenor was pleased to inform that all the Convenors of the Sub-Committee have conducted the meetings as per time schedule and requested them to keep up the same and assist the SLBC and GOK in deliberating on the sectors assigned to them.

As per the Gazette of India Notification dated 22.2.2017, the merger of Associate banks with State Bank of India has been notified and the order comes into effect on 1.4.2017.

Consequent to the merger of Associate banks with State Bank of India as per the Gazette of India Notification dated 22.2.2017, the convenorship of the SLBC Sub-Committee on Weaker Section Advances hitherto held with State Bank of Mysore will be assigned to SBI.

**(Action : Convenors of Sub-Committee)**

**AGENDA 10.0 : REVIEW OF BANKING STATISTICS AS OF DECEMBER 2016**

The Bank-wise position as of December 2016 was presented to the House in respect of Branch Net Work, Deposits, Advances and CD ratio.

**Branch Network:**

**As at the end of Dec. 2016**, the total number of bank branches in the State was **10815,** comprising **8080** Commercial Bank; **1762** RRB; **203** KSCARD Bank; **700** DCC Bank; **38** Industrial Coop Bank; **32** KSFC Branches.

**ATMs :**

As at the end of **Dec. 2016** there were **16510** ATMs in the State, out of which, **2462** are in rural, **3156** are in S. Urban, **3965** are in Urban and **6927** are in Metro areas.

##### Deposits:

The aggregate deposits of Banks was **` 769018 cr** as at the end of Dec. 2016, when compared to the level of **` 658554 cr** as on Dec. 2015, registering an increase of **` 110464 cr** showing a growth rate of **16.77%.**

**Advances:**

The total outstanding Advances of Banks was **` 545639 cr** as at the end of Dec. 2016ascompared to the level of **` 494443 cr** as at Dec. 2015, registering an increase of **` 51196 cr** showing a growth rate of **10.35%**.

**Credit-Deposit Ratio:**

The Credit Deposit Ratio as of Dec. 2016 was **71.00%** vis-à-vis **75.08%** as of Dec. 2015 showing a decrease of 4.08%**.** The CD ratio was at 99**%** in Rural areas, 79**%** in Semi-Urban, 61**%** in Urban and 69**%** in Metro areas.

House expressed concern on the CD Ratio which has declined from 75% to 71% when compared to the level of previous year and informed Bankers to bring it to the level of neighboring States.

**Priority Sector Advances:**

The outstanding level of total **priority sector advances** of Banks stood at **` 252133 cr** as of Dec. 2016 as against **` 202011 cr** as at Dec. 2015 showing an increase of **` 50122 cr** recording a growth of **24.81%.** The percentage of priority sector advances of Banks works out to **46.21%**.

The total **agricultural advances** as at Dec. 2016 were to the tune of **` 110934 cr** constituting **20.33%** of the total advances.

The outstanding **Advances to Weaker Sections** by Banks as of Dec. 2016 was **` 70307 cr** constituting **12.89%** of the total Advances with an increase of **` 3113** cr over the corresponding previous year level. The outstanding advances to **Small & Marginal farmers** was to the tune of **` 57885 cr** covering about **62.32 lac** accounts, constituting **52.18%** of the total Agriculture credit. The outstanding advances to **SCs/STs** were **` 13246 cr** constituting **2.43%** of the total advances.

The Bank-wise position of Priority Sector and Weaker Section Advances and the Bank-wise position as of Dec 2016 in respect of Branch Net Work, Deposits, Advances, CD ratio and in respect of Priority Sector and Weaker Section Advances were presented to the House.

During the deliberations, the Secretary, Social Welfare Dept observed that the advance to SC/ST is only 2.4%, while the population is 24.1%. The same was discussed in Sub-committee meeting and the reasons for the same could not be ascertained. The ACS & DC advised the Secretary to send a letter to all the concerned quoting all the budget allocations made to SC/ST so that it can be made known to all the stakeholders.

 **(Action : Social Welfare Dept.)**

**AGENDA 11.0: COVERAGE UNDER CREDIT GUARANTEE SCHEME OF CREDIT**

**GUARANTEE FUND TRUST FOR MICRO & SMALL ENTERPRISES**

**[CGTMSE] –**

Under guarantee scheme of CGTMSE, Banks have covered **9628** units with an approved amount of **` 493.06 cr** during the QE December 2016 and the cumulative progress was **238436** units amounting to **` 11782.11** cr.

**AGENDA 12.0 : CENTRAL AND STATE SPONSORED SCHEMES**

The performance of Banks under various Govt sponsored schemes of 2016-17 as on 30th Dec. 2016 is furnished here below:

|  |
| --- |
|  **PERFORMANCE UNDER GOVT. SPONSORED SCHEMES FOR 2016-17** |
| **Sl No.** | **Name of the Schemes**  | **Target** | **Achieve-ment**  | **% of Ach.** | **Target/****Ach. Annexure (Page No.)** |
| 1 | **NATIONAL RURAL LIVELIHOOD MISSION (NRLM)** |  |  |  |  |
|  | SHG Bank Linkage Groups | 230000 | 209146 | 90.93 | 19 (77-78) |
| 2 | RAJIV GANDHI CHAITANYA YOJANA (RGCY)\* | 150000 | 27246 | 18.16 | 20 (79) |
| 3 | **NATIONAL URBAN LIVELIHOOD MISSION (NULM)** |  |  |  |  |
| A | Self-Employment |  |  |  |  |
|  | a) Individual | 4765 | 1146 | 24.05 | 21(80-81) |
|  | b) Groups | 200 | 62 | 31.00 |  |
| B | SHG Bank Credit Linkage | 1250 | 767 | 61.36 |  |
| 4 | **DR. B.R AMBEDKAR DEV. CORPN** |  |  |  |  |
| a | Self Employment Programme (SEP) | 5153 | 2909 | 56.45 | 22 (82) |
| b | ISB | 1349 | 1053 | 78.06 | 22 (83) |
| c | Dairy Scheme | 1304 | 647 | 49.62 | 22 (84) |
|  | **TOTAL**  | **7806** | **4609** | **59.04** |  |
| 5 | **KARNATAKA M.V. ST DEV. CORPN. \*** |  |  |  |  |
| a | Self Employment Programme (SEP) | 3428 | 2782 | 81.16 | 23 (85-86) |
| b | ISB | 1234 | 803 | 65.07 | 23 (87-88) |
| c | Dairy Scheme | 500 | 1530 | 306.00 | 23 (89-90) |
|  | **TOTAL**  | **5162** | **5115** | **99.09** |  |
| 6 | **KARNATAKA MINORITY DEV. CORPN. (KMDC)** |  |  |  |  |
|  | Swalambana Margin Money | 5333 | 587 | 11.01 | 24 (91) |
| 7 | **WOMEN & CHILD WELFARE DEPT** |  |  |  |  |
|  | Udyogini | 13824 | 5080 | 36.75 | 25 (92) |
| 8 | **PASHU BHAGYA** |  |  |  |  |
| a | Dairy Development | 9649 | 5676 | 58.82 | 26 (93) |
| b | Sheep & Goat Development | 1302 | 721 | 55.38 |
| c | Piggery Development | 186 | 88 | 47.31 |
| d | Poultry Development | 984 | 266 | 27.03 |
|  | Total | **12121** | 6751 | 55.70 |
| 9 | **D. DEVARAJ URS BC DEV. CORPN.** |  |  |  |  |
|  | Chaitanya Subsidy Scheme | 4255 | 2782 | 65.38 | 27 (94-95) |
| 10 | **Weavers Credit Card** | 8000 | 1488(Under MUDRA) | 12.04 | -- |
| 11 | **RAJIV GANDHI LOANS SCHOLARSHIP** | 10000 | 182 | 1.82 | 28 (96-98) |
| 12 | **CMEGP – DIC & KVIB** | 2500 | 329 | 13.16 | 29 (99) |
| 13 | **PMEGP** |  |  |  |  |
| a | KVIC | 2076 | 762 | 36.71 | 30 (100) |
| b | KVIB | 2076 | 857 | 41.28 |
| c | DIC | 2769 | 1593 | 57.53 |
|  | **Total** | **6921** | 3212 | 46.41 |  |

**\* Progress as on Feb. 2017**

The Chairman-SLBC said that Banks have performed satisfactorily under Karnataka Maharshi Valmiki ST Dev. Corporation, SHG-Bank credit linkage NRLM, Chaitanya scheme of D. Devraj Urs BC Dev. Corporation, SHG-Bank credit linkage NULM, Dr. B.R. Ambedkar Dev. Corporation. He requested the Banks to pay priority for implementation of Govt sponsored schemes.

**SHG-Bank Linkage – NRLM**

The Convenor thanked the Pr. Secretary to Govt., RDPR, GoK for having appreciated the efforts put in by SLBC in driving the “SHG-Bank Linkage months’ campaign” a grand success and bringing Karnataka to No.1 position in the country for achieving the financial target ahead of time.

Chief Secretary & ACS & DC lauded the Banks in bringing the Karnataka State to No.1 position in the country on assistance under MUDRA financing and SHG-Bank Linkage under NRLM.

**Targets for 2016-17 – Credit Link for SCP & TSP Schemes of AH & VS, GoK**

The Commissioner, Dept of Animal Husbandry & Veterinary Services, Govt of Karnataka, Bengaluru vide their letter No.CAH/Plan-3/CR-04/16-17 dated 4.2.2017 has communicated the District-wise targets for the year 2016-17 under SCP & TSP Schemes.

All the LDMs have been advised to reallocate the targets of their District amongst Bank Branches in the District and ensure the accomplishment of targets.

The House approved the same.

**Targets for 2016-2017 – SCP Scheme of AH & VS, GoK**

The Commissioner, Dept of Animal Husbandry & Veterinary Services, Govt of Karnataka, Bengaluru vide their letter No.CAH/Milk Incentive/SCP/2016-17 dated 7.2.2017 has communicated the District-wise targets for the year 2016-17 under SCP Scheme.

All the LDMs have been advised to reallocate the targets of their District amongst Bank Branches in the District and ensure the accomplishment of targets.

The Convenor informed that in the review meeting of Progress under Govt Schemes held on 17.1.2017, SLBC suggested the Commissioner to sponsor the applications for Dairy purpose from the month of June onwards as there is scarcity of water and fodder during summer. The Banks may process the eligible applications as and when they receive and releases may be made during coming rainy reason. He also suggested for change of activity based on the need of the beneficiary in such proposals.

The House approved the above suggestions.

**(Action : AH & VS Dept / LDMs)**

**Rajeev Gandhi Loan Scholarship Scheme:**

The scheme was discussed in the Meeting of Bankers and Line Departments to review Progress on Implementation of Govt Sponsored Schemes 2016-17 & Recovery of Loans held on 17th Jan. 2017, under the chairmanship of ACS & DC, GoK. To overcome the slow progress, the Dept. has informed vide their letter dt 15.3.2017 that it has initiated steps to:

* Forward the applications to concerned Service Area Bank Branches
* Display banners in the Colleges about the scheme
* Give wide publicity to create awareness among the public about the scheme
* Recommend to Govt to increase the income limit criteria of the parents to facilitate in

 mobilizing maximum number of applications

The Dept was informed the action taken in this regard.

**(Action : DCE, GoK)**

The Convenor informed that the detailed discussion on the progress under Govt sponsored schemes will be held in a separate meeting shortly.

**(Action : SLBC)**

**AGENDA 13. 0: IMPLEMENTATION OF ANNUAL CREDIT PLAN (2016-17)**

The progress in disbursement under Annual Credit Plan for the quarter ended Dec. 2016 Sector-wise & Agency-wise is furnished below.

**(` in Cr)**

|  |  |  |
| --- | --- | --- |
| **Sector** | **Dec. 2015** | **Dec. 2016** |
|  | **Target** | **Achievement** | **% Ach.** | **Target** | **Achievement** | **% Ach.** |
| Crop Loan/ KCC | **41600** | **20895** | **50.23** | **48908** | **24991** | **51.10** |
| Agri Term Loan  | **21020** | **37182** | **176.89** | **23984** | **31639** | **131.92** |
| **Total Agri Loans** | **62620** | **58077** | **92.75** | **72892** | **56630** | **77.69** |
| MSME | **18105** | **26939** | **148.96** | **30314** | **31466** | **103.80** |
| Export Credit | **--** | **--** | **--** | **597** | **2846** | **476.72** |
| Education | **2989** | **1039** | **34.76** | **2915** | **1107** | **37.98** |
| Housing | **14459** | **4808** | **33.25** | **15191** | **2798** | **18.42** |
| Social Infra. | **--** | **--** | **--** | **464** | **21** | **4.53** |
| Renewal Energy | **--** | **--** | **--** | **675** | **139** | **20.59** |
| Others | **14287** | **6576** | **46.03** | **12140** | **1996** | **16.44** |
| **Total PSA** | **112460** | **97439** | **86.64** | **135188** | **97003** | **71.75** |

Comparative analysis of disbursement y-o-y Dec. 2015 and Dec. 2016 and the Bank-wise progress under Crop Loan/ KCC was presented to the House.

The Convenor informed that the Banks could achieve 71.75% of the targets under PSA, 77.69% under agriculture advances. He called upon the Banks to improve lending under Crop Loans/KCC as it is comparatively low to Term Loan lending. He requested the Banks to accelerate lending under Education, Housing, Social Infrastructure, Renewable Energy & Other sectors as the performance for the third quarter is considerably low.

The CGM : NABARD observed that the performance under Agriculture is 78% and expressed his concern on achievement of only 51% under crop loans. He touched upon the data inconsistency in the reports of HDFC Bank, which seems to be non realistic. This will affect planning decisions at the State / National level. Hence, he called upon all the Banks to be consistent in reporting the data to SLBC/RBI/NABARD. Though the overall performance under Agriculture is 78%, it varies from 33% – 100 % bank to bank. He called upon the poor performing Banks to take care in the ensuing financial year. He informed that for 2017-18 the Term Lending target has been fixed at **`** 10,00,000 cr for the country and the State-wise/Agency-wise target will be communicated shortly.

 **(Action : Banks)**

**AGENDA 14.0 : SPECIAL FOCUS PROGRAMMES**

The House reviewed the performance under (a) Credit flow to Minority Communities (b) Flow of credit to Minority Communities in identified districts (c) Credit flow to Women (f) Lending through MFIs (g) Stree Shakti Programme as of December 2016.

The House advised the Banks / LDMs / Line Depts to accord importance for implementation of these schemes.

**AGENDA 15.0: IMPLEMENTATION OF SPECIAL SCHEMES**

The House reviewed the performance under (a) Agri-Clinics / Agri-Business (b) Rural Godowns (c) Implementation of National Horticulture Board [NHB] Subsidy Scheme.

**AGENDA 16.0 : RECOVERY**

The House reviewed the position under (a) Recovery of Bank dues under PMEGP (b) Non Performing Assets Position (c) Recovery under SARFAESI / DRT / Lok Adalat (d) Recovery under KPMR & KACOMP Acts.

ACS & DC observed that the NPA level under PMEGP is ranging from 8.30% to 16.49%. As it is on higher side, requested the KVIC representative to have a joint drive for recovery and strive for reduction of NPA position under PMEGP.

The Convenor raised the issue of some Dy. Commissioners giving directions to Banks in the District not to recover / auction the secured assets, which is hampering recovery atmosphere At this juncture, the representative from Vijaya Bank quoted an example of Mandya District, where gold auction process was hampered due to instructions issued by the Dy. Commissioner. The ACS & DC advised the representative to provide a copy of the letter issued by the DC to do the needful.

The Chairman-SLBC informed that these types of directions will mislead the persons who are able to repay and he requested to build up a recovery climate.

Further,he Informed that in case of advances under Govt sponsored schemes also there is alarming raise in NPAs and hence he solicited the support and cooperation of the line departments in extending assistance to the Banks in recovery of such loans. He thanked the ACS & DC for taking initiative in heading the SLBC Sub-committee on Recovery and taking important decisions like appointment of Special Tahsildars for recovery, assisting Banks for recovery under SARFAESI Act and also PMEGP loans.

**(Action : Banks / Line Depts.)**

**AGENDA 17.0 : LEAD BANK SCHEME – STRENGTHERNING & MONITORING**

 **INFORMATION SYSTEM (LBS-MIS)**

The progress under disbursements and outstanding as at Dec. 2016 vide LBS-MIS-II & III were presented to the House. The Convenor requested the Banks to submit correctly drawn Lead Bank Statements to SLBC, in time.

**SCALE OF FINANCE 2017-18**

The Convenor informed that the Technical Committee for fixation of Scale of Finance for various crops for 2017-18 met on 13.2.2017 and moderated the scale of finance. SLBC has communicated the same to all the Banks & LDMs.

**(Action : Banks / LDMs)**

**AGENDA 18.0 SELF HELP GROUPS/ JOINT LIABILITY GROUPS**

As against the targets for credit linkage of 2,30,000 of SHGs for the year 2016-17, Banks have credit linked 2,26,039 SHGs amounting to **`** 3165.10 cr up to the quarter ending December 2016. Consolidated progress by Banks under SHG Bank linkage program as at December 2016 was presented to the House.

A target for credit linkage of 60,000 JLGs has been fixed for the State for 2016-17. As per the information gathered, the Banks have credit linked 43,016 JLGs with a credit limit of **`** 689.04 cr up to December 2016.

The representative from NRLM thanked the Bankers for their cooperation in surpassing the financial target of **` 5000 cr (2,30,000 a/cs)** by sanctioning **` 5560 cr** (2,26,000 a/cs) by Feb. 2017 itself. He informed that per group credit has been increased and the average credit is **` 2.54 lacs** and requested the Bankers to increase it to **`** 3.00 lac per group.

**AGENDA 19.0 : CARRYING OUT PUBLIC AWARENESS CAMPAIGN TO ADDRESS
 UNAUTHORISED COLLECTION OF FUNDS BY FRAUDULENT**

 **ENTITIES – DISPLAY OF ADVT IN BMTC / KSRTC BUSES**

The Convenor informed that M/s. Sai Advertisers has been entrusted to cover Mysuru, Kalaburgi & Belagavi Districts and M/s. Prithvi Advertisers to cover Bengaluru District for display of advertisements in KSRTC Buses for the months of January, February & March 2017. The agencies have carried out as per the terms and conditions. The future course of action will be discussed separately.

**(Action : SLBC)**

**AGENDA 19.1 : IMPLEMENTATION OF RECOMMENDATIONS OF**

 **KANNADA ABHIVRUDDHI PRADHIKARA**

The Convenor informed that Chairman, Kannada Abhivruddhi Pradhikara, Govt of Karnataka visited the Corporate Office, Syndicate Bank on 28.2.2017 and suggested to provide the challans, cheque books, pass books, loan applications and other banking related forms following the trilingual policy to enable the farmers, rural laborers and illiterate population for hassle free dealing with the Banks.

Further, it was suggested to establish a Kannada Cell in all the Banks on the similar lines of implementation of Hindi in the Banks and initiate steps for teaching Kannada to non-Kannadiga employees in the Bank and urged the Banks to deal with their clientele primarily in Kannada language. He informed the House that Syndicate Bank has established Kannada cell at their CO Bengaluru.

The Chairperson requested that, major Banks which are having good network of Branches, Head Offices / Zonal Offices in the State shall set up Kannada cell.

**During the deliberations, the Chairperson o**n the issue of appointment of employees in the category of A, B, C & D Groups as per the recommendation of Dr. Sarojini Mahishi Report said that appointments are done on Pan India basis and hence, the Banks may take up the issue with Govt of India in this regard.

The ACS & DC also requested the Bankers to provide all the forms in Kannada for public use so that they can utilize banking services effectively and Banks to establish Kannada Cell on the lines of Hindi Cell, as suggested by Kannada Abhivruddhi Pradhikara.

**(Action : Banks)**

**AGENDA 20.0 : NABARD AGENDA NOTES:**

The CGM : NABARD took up the review on (I) GLC for Agriculture - (a) GLC Target for the year 2017 18 (b) Submission of Accurate Data by banks on Ground Level Credit (GLC) (II) Doubling of Farmers’ Income by 2022 (III) Action Points emanated out of State Level Farmers’ Meet held on 30.12.2016 for compliance by SLBC, Banks, Government etc. - Farmers’ Producers’ Organisation (IV) Interest Subvention Scheme to Small and Marginal Farmers against Negotiable Warehouse Receipts (NWRs) (V) Implementation of Dairy Entrepreneurship Development Scheme (DEDS) (VI) Common discrepancies observed in the subsidy applications under Government Sponsored Subsidy Schemes (GSS) (VII) Financial Inclusion (VIII) State Focus Paper prepared by NABARD.

The LDM, Dharwad requested that KMF to instruct their Societies to have tripartite agreement with Banks while availing finance from Banks under DEDS scheme of NABARD.

The CGM:NABARD informed that NABARD has projected a credit potential of **`** 179159.97 cr for the year 2017-18. He requested the Banks to translate these potentials into credit targets and disbursements keeping in view the higher credit disbursement set by GoI.

The meeting was concluded with vote of thanks by Sri S.M. Desai, DGM-Syndicate Bank.

Agency-wise participants list is enclosed.

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