**STATE LEVEL BANKERS’ COMMITTEE: KARNATAKA**

**CONVENOR: CANARA BANK**

**AGENDA NOTES FOR 151st SLBC MEETING &**

**BANKING STATISTICS AS ON 30THJUNE2020**

As per the revised RBI guidelines on Lead Bank Scheme, SLBC convened the Steering committee Meeting on 01.10.2020 at Board Room, 3rdFloor,Canara Bank HO Annexe, under the Chairmanship of Sri B Chandrasekhara Rao, General Manager, SLBC. The list of participants is provided in Annexure-1 (Page no.53). Suggestions of the members were incorporated in the final Agenda for the 151st SLBC meeting.

**AGENDA 1: Confirmation of the minutes of 150th SLBC meeting held 19.06.2020.**

The minutes of 150th SLBC meeting held on 19.06.2020 were circulated to all the member banks and Govt. departments. The minutes of the same may be approved as no suggestions for amendment were received. Copy of the proceedings is appended to this Agenda as Annexure-1A (page no.54 to 99).

**AGENDA 2: FOLLOW-UP ACTION ON THE DECISIONS TAKEN DURING THE**

**PREVIOUS SLBC MEETING**

|  |  |  |
| --- | --- | --- |
| **Sl.** | **Action Points** | **Action Taken** |
| **01.** | **Standardized system for direct flow of data from CBS of the member banks:**  During 150th SLBC, GM-SLBC informed the House that the Block codes downloaded from the LG Directory, GOI website have been circulated to all the Banks & LDCMs for mapping their branches in the state with the respective Block codes.  SLBC requested all the Banks to map their branches with block codes by 31.07.2020 so that data flow/extraction can happen. | All standard data templates and block codes have been provided to the member Banks and LDCMs.  The revamped Portal was opened in the month of July 2020 and is on PARALLEL RUN with the existing Portal. The same was informed to all the Banks & LDCMs.  SLBC had requested all Banks to update the data in both the Portals ensuring data consistency.  Once the member Banks are stabilized with the Revamped Portal, the existing Portal will be dispensed with and Revamped Portal only will be used.  All the Banks are requested to update the Revamped Portal accurately to enable us to migrate to new one from next quarter. |
| **02.** | **Flow of Credit to CLSS Pradhan Mantri Awas Yojana-Urban (PMAY-Housing for All 2022)** | 1. There has been a satisfactory progress under PMAY sanctions. Review meetings on PMAY-housing for all were conducted under the chairmanship of Chief Secretary on 27.07.2020 and 16.09.2020.  2. SLBC vide letter no. 161B2/2020/2944/SLBC/F-101-150 dated 01.07.2020 to State Controlling heads of all member banks and Housing dept.,GoK regarding effective implementation of CLSS Pradhan Mantri Awas Yojana-Urban(PMAY-U) scheme in Karnataka state, annexure 2 page no.100 |
| **03.** | **Status of opening of banking outlets (Branch/BC) in unbanked villages within a radius of 5 KM from the village:**  DFS has sent a list of 214 unbanked villages to be covered by Branches/BCs within a radius of 5 KM from the village. | Out of 214 villages list received from DFS, 212 centres have been covered by banking outlets and status has been updated in the Jan Dhan Darshak app.  Only 2 villages namely Haralakatte in Tumkur district and Viranjol in Uttara Kannada district are pending to be covered by banking outlets within 5 KM radius from the village.  As stated by NIC and LDCM Tumkur, Haralakatte village (Population – 375) is only 5.8 KM from Hagalwadi, which is having BO of India Post and SBI Branch & BC.  Also, Viranjol village (Population – 156) is located at a distance of 6 KM from Akheti which is having BO of India Post.  As these 2 villages are scarcely populated and are located at a distance of 5.8 KMS and 6 KMS from the nearest banking outlets, SLBC requests the House to consider these 2 villages as covered. |
| **04.** | **Implementation of Kannada by banks** | All members banks were requested by SLBC vide no. 161 BR24a/2020/2944/ SLBC/F-101-150 dated 01.07.2020, to controlling Heads of all member banks in Karnataka state for implementation of Kannada language. |

**AGENDA-3: Banking Outlets:**

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

Out of the 609 villages originally identified by DFS and allocated to various banks, one centre remains as uncovered village in the State. The details are as under:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Sl.**  **No.** | **Name of the Bank** | **No. of uncovered villages** | **No. of Banking outlets** | | |
| **Target** | **Already opened** | **Pending for opening** | **Remarks** |
| 1 | Kotak Mahindra Bank | 4 | 3 | 1 | SLBC had requested Kotak Mahindra Bank to open Banking Outlet at reallocated unbanked village before 30.09.2020 |
| 2 | All other Banks | 605 | 605 | 0 |
|  | **Total** | **609** | **608** | **1** |

Kotak Mahindra Bank has covered 3 unbanked villages and one location Alagamole remains pending. Bank has proposed to open Bank branch at Managalli village rather than at initially allotted unbanked village Alagumole, Kollegaltalluk, Chamarajnagar district since Managalli is a Gram Panchayath HQ which will cover surrounding 7 villages including Alagumole village and as Alagumole is a small village located adjacent to thick forest area without any transportation facility.

House of 150th SLBC has decided to consider and permit Kotak Manhindra Bank to open Banking Outlet in Managalli village subject to approval from DFS. DFS has clarified SLBC on 04.09.2020 that decision of SLBC regarding allocation / reallocation is final.

In view of the above, SLBC requests Kotak Mahindra Bank to open Banking Outlet at reallocated village Managalli on or before 30.09.2020,SLBC letter with ref no 217/SLBC/2020/F-606 dated 09.09.2020 addressed to Kotak Mahindra Bank is provided in Annexure 3 page no.101.

**3.2: Status of opening of Banking Outlets (Branch/BC) in unbanked villages within a radius of 5 KM from the village:**

Out of 214 villages list received from DFS, 212 centres have been covered by banking outlets and status has been updated in the Jan Dhan Darshak app. The 2 villages namely Haralakatte in Tumkur district and Viranjol in Uttara Kannada district are pending.

As stated by NIC and LDCM Tumkur, Haralakatte village (Population – 375) is only 5.8 KM from Hagalwadi, which is having BO of India Post and SBI Branch & BC.

Also, Viranjol village (Population – 156) is located at a distance of 6 KM from Akheti which is having BO of India Post.

DFS vide their lr no F no 080.04.2014-FI(Mission Office:DFS) dt. 08.09.20 (furnished as annexure no 3A, Page no.102 to 103) has authorised SLBC to resolve this type of issues.

As these 2 villages are scarcely populated and are located at a distance of 5.8 KMS and 6 KMS from the nearest banking outlets, SLBC requests the House to consider these 2 villages as covered.

**3.3: Status of opening of Brick and Mortar branches in villages having population   
 of 5000 and more:**

Out of 210 villages initially identified only in 2 villages, the concerned banks are yet to open banking outlets as per RBI Banking outlet definition contained in RBI Circular. No. BAPD.BC.69/ 22.01.001/2016-17 dated 18th may 2017.

Two villages – Yerandi and Amachawadi - which remained uncovered as on March’20 have been covered with banking outlet as mentioned below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Sl. No.** | **District Name** | **Taluk** | **Village Name** | **Population (2011 census)** | **Present status of opening of branches in villages** |
| 1 | Chamarajanagar | Chamarajanagar | Amachavadi | 7,221 | PNB BCA started functioning |
| 2 | Bidar | Basavakalyana | Yerandi | 5,405 | SBI BCA is functioning |

Hence, the above two villages are treated as covered by banking outlet and RBI was informed accordingly vide our e-mail dated 31.07.2020 (provided in annexure 3B, page no.103 to 106).

**3.4: Review of operations of business correspondents–hurdles / issues Involved:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| As on June 2020 | Total No. of BC locations | No. of active BCs available | No. of inactive BC locations | Of which No. of BCs resigned |
| 151stSLBC | 8061 | 7545 | 516 | 187 |

**Bank wise details of inactive BCs and places where BCs have resigned are as under as on 30.06.2020:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl** | **Name of the bank** | **Total No. of BC locations** | **Out of (A) No. of inactive BCs** | **Out of (B) No. of BCs resigned** |
| **A** | **B** | **C** |
| 1 | SBI | 2221 | 50 | 0 |
| 2 | Canara Bank | 1670 | 120 | 0 |
| 3 | KGB | 1300 | 68 | 10 |
| 4 | KVGB | 706 | 9 | 0 |
| 5 | Bank of Baroda | 658 | 0 | 0 |
| 6 | IOB | 84 | 1 | 0 |
| 7 | Union Bank of India | 336 | 19 | 8 |
| 8 | Kotak Mahindra Bank | 68 | 10 | 0 |
| 9 | Bank of Maharashtra | 5 | 0 | 0 |
| 10 | Karnataka Bank Ltd. | 84 | 6 | 2 |
| 11 | UCO | 34 | 6 | 0 |
| 12 | Indian Bank | 29 | 3 | 1 |
| 13 | PNB | 8 | 2 | 0 |
| 14 | Central Bank of India | 30 | 0 | 0 |
| 15 | Bank of India | 34 | 17 | 2 |
| 16 | IDFC | 495 | 184 | 161 |
| 17 | All other Banks | 299 | 21 | 3 |
|  | **Total** | **8061** | **516** | **187** |

**\*As on 22.09.2020, the no of inactive BCs have been reduced from 516 to 465.**

From the above table, it may be noted that:

* Out of 8061 BC locations, in 7545 BC locations the BCs are active and doing transactions through Micro ATMs.
* There are 516 BC locations the BCs are inactive which includes 187 BC locations wherein BCs have resigned.

SLBC requests respective banks to activate inactive BCs as well as to appoint new BCs where BCs have resigned and initiate steps for making these centers full-fledged.

**AGENDA 4: Financial inclusion Initiatives**

**4.1: Financial literacy initiatives by banks, particularly digital financial literacy.**

Data on literacy camps conducted by **FLCs and rural bank branches** for the Quarter ended June 2020 is furnished as under:

|  |  |  |
| --- | --- | --- |
| **Type of Camps conducted** | **During the quarter ended June 2020** | |
| No. of programs conducted | No. of people benefitted |
| Special Camps | 206 | 5209 |
| Target specific camps (Farmers, SHG members, School children, Sr. citizen, labourers oriented programmes) | 741 | 18467 |
| Out of target specific camps, camps conducted for school children. | 17 | 382 |
| **Total No of Camps ( Special camps and Target specific camps)** | **947** | **23676** |

* Due to COVID-19 pandemic & nationwide lockdown, the FL Camps conducted by FLCs during the 1st quarter of FY 2020-21 are minimal as compared to previous quarters.
* As on 22.09.2020, 139 number of FLCs have resumed training programmes against 171 FLCs in Karnataka
* SLBC requests all the sponsor banks to oversee the functioning of FLCs and also to expedite appointing FLC counsellors wherever it’s pending due to resignation of existing counsellors and also arrange to send the correct reports in time to SLBC.

**AGENDA 5: KCC,**

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Disbursement during FY 2020-21** | | **Cumulative O/S as on 30.06.2020** | |
| No. of Cards (Lakh) | Amount (Crore) | No. of Cards (Lakh) | Amount (Crore) |
| 8.69 | 8604 | 43.24 | 48045 |

Banks are requested to advise the bank branches to ensure issue of KCC to all eligible, Agriculturists, Animal husbandry and Fisheries farmers in the state.

Bank wise data on KCC loan for the FY 2020-21 is provided in the Annexure 5 (Page no.107)

District wise data on KCC loan for the FY 2020-21 is provided in the Annexure 5A (Page no.108.

**5.2. Saturation of PM Kisan beneficiaries with KCC:**

Govt. of India had launched a special drive starting from 08.02.2020 for covering all PM Kisan beneficiaries under KCC scheme. The drive which started on 10th Feb 2020 and continued till end of April 2020.

The second phase of special drive started from 1st June 2020 to 31st July 2020 to issue KCC to agriculture and allied activities and the campaign got extended from 1stAug to 30th of Sep 2020for KCC saturation of all PM Kisan beneficiaries.

In Karnataka state, out of 6.87 lakh applications received, 5.32 lakh were sanctioned with KCC with total limit of Rs 5043.48 crores since inception of campaign i.e., 08.02.2020 to 16.09.2020.Bank wise KCC details furnished in annexure 5B page no.109.

**5.3: Issuance of KCC-AH to dairy farmers of Milk Cooperatives and Milk Producer Societies/Unions:**

Ministry of Fisheries, Animal husbandry and Dairying launched Special drive from 1st June to 31stJuly 2020, for KCC saturation of agriculture allied activities with special focus on providing all dairy farmers of Milk Cooperatives and Milk producer companies with Kisan Credit Card (KCC) and same has been extended from 1st Aug to 30th Sep 2020.

Further to 150th SLBC meeting, MD, KMF had convened a meeting on04.07.2020 wherein MD’s of all the milk union and SLBC representatives participated. SLBC representatives have explained about the KCC-AH scheme and clarified doubts raised by the MD’s of milk unions.

Registrar of Cooperative Societies has conducted a meeting on 14.07.2020 with SLBC, Apex Bank, MD, KMF, NABARD and select DCC Bank heads to discuss about the practical problems being faced by DCC banks for sanctioning of KCC-AH and issued guidelines vide letter CRD/CAB-1/3/2020-21 dated 14.07.2020 to DCC banks for sanctioning of KCC-AH by DCC banks.

SLBC has conducted VC meeting on 20.08.2020 for all the Bank State Controlling heads and LDMs and reviewed the progress on KCC-AH saturation. We advised all the controlling heads of bank to review their ZOs/ROs on KCC –AH progress on weekly intervals and to sensitize all the Regional heads /Branch managers for expeditious KCC-AH sanctions.

As on 16.09.2020 banks have sanctioned 52763 KCC-Dairy loans amounting to 115.91crores as against the 3.40 lakh KCC-AH physical applications submitted by KMF/Milk unions to the bank branches. Bank wise KCC-AH details are given in the annexure 5B page no 109.

Happy to inform that due to collective efforts of all banks, no of sanctions for KCC-AH in the state are the highest in the country.– state wise performance under KCC-AH furnished in annexure no.5B(i) page no.110.

The special drive on saturation of KCC –Dairy is extended by three months from 1st October 2020 to 31st December 2020 vide Ministry of Fisheries, Animal Husbandry and Dairying, GOI letter ref. F.No. M-02022/14/2020-CDD dated 24.09.2020.

SLBC requests all the State Controlling Heads for expeditious sanctions of KCC-AH loans and also request GoK to examine the suggestions, for improvement of KCC-Dairy sanction, given in the annexure no.5B(ii), page no.111.

The special drive on saturation of KCC –Dairy is extended by three months from 1st October 2020 to 31st December 2020 vide Ministry of Fisheries, Animal Husbandry and Dairying, GOI letter ref. F.No. M-02022/14/2020-CDD dated 24.09.2020.

**5.4. PMFBY AND RWBCIS:**

## **5.4.1. Status of Crop Insurance Claims settlement pertaining to PMFBY Kharif 2017, Kharif 2018 and Rabi 2018 by banks as directed by CEO, PMFBY, GOI**

The Joint Secretary and CEO, PMFBY, Ministry of Agriculture and Farmers welfare, GOI has directed all the concerned banks to settle the pending claims pertaining to PMFBY Kharif 2017, Kharif 2018 and Rabi 2018 vide letter F. No. 13012/04/2017-credit –II (Pt-1) dated 30.04.2020. Based on this letter SLBC has communicated to all the controlling heads of concerned banks of the state vide letter no.122/PMFBY/CLAIM/2017-18/18-19/614/banks dated 06.05.2020 to settle the claims pertaining to PMFBY Kharif 2017, Kharif2018 and Rabi 2018 by banks. Status of settlement of claims by the banks as on 31.08.2020 is given in the in the Annexure 5C (page no.112). All the concerned banks except SBI and UBI have settled the insurance claims to the farmers accounts and Canara Bank has settled part of the amount.

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

1. **Season wise claim settlement status under PMFBY as on 31.08.2020** (annexure 5D, page no.113).
2. **Season wise claim settlement status under RWBCIS as on 31.08.2020** (annexure 5E, page no.114).

**All member banks are once again requested to expedite settlement of claims expeditiously.**

**5.4.3. Constitution of committee for settlement of additional claims arising due to problems/mistake/errors/omissions under Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructure Weather Based Crop Insurance Scheme (RWBCIS)**.

We would like to bring to your notice that a committee for settlement of additional claims is to be constituted as per Ministry of Agriculture and Farmers Welfare, GOI letter with ref. file no. 13017/03/2020-Credit-II FTS No. 86881 dated 09.09.2020 given in the annexure 5F page no.115 to 116) to resolve grievances/problems of FIs and to facilitate the time bound claim settlement of genuine insured farmers due to any problems/mistake/errors/omissions by FIs/ICs. As per Revamped Operation Guidelines for PMFBY in section 30.7 Committee has to examine the cases and to take final decision in this regard including recommendation for the payment of admissible government subsidy to facilitate the payment of admissible claims and/or payment of additional/full liability towards claims by concerned financial institutions or concerned company.

Dept. of Agriculture is requested to arrange for constitution of committee and convene the meeting as per guidelines at the earliest.

**5.5: Sharing of KCC details along with last four digits of aadhar to Agriculture Commissioner, GoK**

SLBC has already submitted bank-wise Kisan Credit Card account details along with last four digits Aadhaar of all the Public sector, private sector and Regional Rural banks to Agriculture commissioner for de-duplication of PM Kisan beneficiaries and to find out the left out beneficiaries for PM Kisan with KCC.

KCC detail along with last four digits of Aadhaar for KCC borrowers pertaining to Cooperative/DCC banks are awaited from Apex Bank. The CEO,ApexBank is requested to submit the details immediately to Agriculture Commissioner.

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

GoK has been proactively implementing several schemes for the benefit of farmers who undertake different agriculture and agriculture related activities like growing annual crops, Horticulture crops, Sericulture, Dairy, Poultry, Fishery etc. A well organized and scrutinized farmer database will avoid farmers from running pillar to post for availing benefits from various departments. DPAR e-Governance Department in association with NIC has developed a software application called Farmer Registration &Unified Beneficiary Information System – FRUITS to better management of Govt subsidies and incentives to farmers.

Now GOK has come up with a proposal to integrate FRUITS with banks with respect to agriculture lending so as to bring efficiency and preventing siphoning of state fund through multiple claims of interest subvention, interest subsidy etc., besides helping all stake holders like Government, Banks and Farmers.

As a part of recommendation of internal working group on agriculture credit to farmers 100% digitization of land records of the state has to be carried out to allow banks and financial institutions to view records and register charges etc.,

Accordingly NABARD has initiated coordination and consultation with e-Governance, GoK and bankers towards moving to digital platform wherein land and crop details as well as loan details are captured together so as to benefit all the stake holders.

Two meetings dated 02.09.2020 and 08.09.2020 have already been convened by NABARD with bankers and e-Governance with the help of SLBC and it has been decided that the integration could be achieved by adopting one of following approaches.

1. API approach (for data sharing from CBS seamlessly)
2. SFTP approach (for uploading data with digital signature)
3. Development of Separate portal ( for data entry to those entities like PACS which are not on CBS.

The reference received from ACS (e-Governance, GoK) is also annexed (annexure 5G page no.117 to 121)

SLBC has requested e-Governance, GoK to provide complete document of “FRUITS” project, complete technical document of API, SFTP and Separate portal approaches and SOP to be followed to share with bankers to enable them to put fourth this idea before the competent authority to get required sanctions to get into piloting of the project.

**AGENDA 6. Crop Loan Waiver Scheme -2018**

**6.1: Progress in implementation of CLWS-2018 of GoK:**

GoK, under CLWS-2018, has released Rs. 7241.94Crore towards crop loan accounts of 9, 62,260 farmers of commercial banks including RRBs till 19.09.2020.

The phase-wise, Bank-wise details of the CLWS amounts released to commercial banks including RRBs are provided in the Annexure 6 (Page no.122 to 124).

Further, the bank-wise consolidated details of CLWS-2018 amount released provided here below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Bank wise Amount released by the GoK under CLWS-2018 to Commercial banks & RRBs as on 19.09.2020** | | | |
|  |  | **Amount in Lakhs** | |
| S N | Name of the Bank | Total amount since inception | |
| No of A/cs | Amount |
| 1 | KGB (e-Pragathi Krishna Gramin Bank) | 272782 | 172507.40 |
| 2 | Karnataka VikasGrameena Bank | 133280 | 91620.90 |
| 3 | Canarabank | 102544 | 91518.71 |
| 4 | State Bank of India | 159730 | 124486.55 |
| 5 | KGB (e-KaveriGrameena Bank) | 75402 | 63922.25 |
| 6 | Canarabank e-Syndicate Bank | 62214 | 49328.47 |
| 7 | BoB (e-Vijaya Bank) | 44355 | 38444.90 |
| 8 | UBI (e-Corporation Bank) | 36980 | 39573.22 |
| 9 | Union Bank of India | 10890 | 8319.77 |
| 10 | Karnataka Bank ltd | 9043 | 6139.03 |
| 11 | ICICI bank ltd. | 6881 | 3603.83 |
| 12 | Bank of India | 6108 | 5041.67 |
| 13 | Indian Overseas Bank | 7463 | 4522.08 |
| 14 | CBI | 4916 | 3920.61 |
| 15 | Punjab National Bank | 4698 | 3385.44 |
| 16 | HDFC Bank | 4908 | 3328.39 |
| 17 | Axis Bank Ltd | 3957 | 2010.80 |
| 18 | Indian Bank | 2947 | 2493.53 |
| 19 | Bank of Maharashtra | 2979 | 2598.87 |
| 20 | IDBI Bank | 2199 | 1900.61 |
| 21 | UBI (e-Andhra Bank) | 1975 | 1176.76 |
| 22 | PNB (e-Oriental Bank of Commerce) | 829 | 834.54 |
| 23 | RBL Bank | 663 | 332.98 |
| 24 | DCB Bank ltd. | 208 | 72.62 |
| 25 | KBS Bank | 270 | 106.64 |
| 26 | Indian Bank (e-Allahabad bank) | 54 | 40.87 |
| 27 | Kotak Mahindra bank | 558 | 282.98 |
| 28 | UCO bank | 1231 | 1275.76 |
| 29 | BoB (e-Dena bank) | 669 | 587.51 |
| 30 | Tamilnad Mercantile Bank | 11 | 4.44 |
| 31 | PNB (e-United Bank of India) | 3 | 3.11 |
| 32 | Bank of Baroda | 1185 | 533.97 |
| 33 | Federal Bank | 284 | 204.49 |
| 34 | KarurVysya Bank | 40 | 69.42 |
| 35 | South Indian Bank | 4 | 1.25 |
|  | Total | **962260** | **724194.39** |

**6.2: Important actions to be taken by Banks on Priority for CLWS -2018.**

* Member banks are requested to provide information (Format provided in annexure 6A (page no.125) about waiver/incentive returned accounts on the account of wrong categorization of accounts while uploading crop loan data, as it is required by CLWS Special cell to process the data for release of eligible amounts.
* As per the request made by banks, CLWS Spl cell has sent XSD file for Uploading of leftover eligible accounts as per extant guidelines of CLWS and banks are requested to upload leftover eligible accounts and inform the department.
* Bank wise entering of alternate account pendency as on 16.09.2020(Pendency at Manager level and Pendency at DGM level) in case of closed accounts after 31.12.2017, Green list approval Pendency as on 14.09.2020and FSD Pendency bank wise are provided in annexure 6B1, 6B2, 6B3 ( page nos.126,127,128) and the member banks are requested to complete these pendency w.r.t CLWS.
* The LDMs has to co-ordinate with TLC and to resolve the TLC pendency. The Participating banks to advise bank branches to keep in touch with respective Tahasildars to clear/process the pending cases.
* Banks has to ensure settlement of eligible CLWS NPA accounts under CLWS OTS schemes as per the extant guidelines.

**6.3: Some of the aspects/issues regarding CLWS 2018:**

With reference to the above subject, few banks/LDMs have raised some issues and the same was placed in last 150th SLBC meeting (19 issues) with respect to crop loan waiver scheme 2018.

Following issues are taken care by department.

* Regarding release of eligible CLWS amount on account of wrong categorization, the department asked banks to provide information about waiver/incentive returned accounts on the account of wrong categorization of accounts, as it is required by CLWS Spl cell to process the data for release of eligible amounts.
* CLWS Spl cell has sent XSD file for Uploading of leftover eligible accounts as per extant guidelines of CLWS and banks are requested to upload leftover eligible accounts and inform the department.
* Login credentials to DGMs for authorization of alternate account numbers were arranged by department as and when requested by banks, still Bank of India issue yet to resolve.
* Karnataka Grameena Bank (eKaveriGrameena Bank) IFSC code issue due to amalgamation is resolved.

Remaining issues needs to be addressed by concerned department.

**6.4 Other Issues pertaining to CLWS-2018**

A copy of the draft on Internal Audit by Banks on CLWS GoK 2018 prepared by SLBC along with Annexures/tables/Certificates were sent to Advisor to FD,GoK, CLWS Spl Cell and CLWS sub-committee members banks for their feedback. Draft Internal Audit booklet along with Annexures/tables/Certificates were submitted and feedback from banks (Booklet was already placed in 150th SLBC Agenda) to Finance Department, GoK is awaited for perusal and final approval. After approval by GoK, the participating banks shall start the process of carrying out internal audit.

**6.5: Un-resolved issues regarding Crop Loan Waiver Scheme-2018 of GoK**

The branches are sending mail directly to CLWS Special cell-GoK, instead of taking the issue through their State coordinators/controlling Head of the banks for resolving the issue.

Therefore SLBC has addressed letters to controlling heads of member banks in Karnataka State to list out all unresolved issues, if any, on CLWS of their bank branches and represent directly to a). The Secretary to GoK, DPAR (A&R) &Chairman of CLWS, MS Building, GoK, Bengaluru, b). The CLWS Special Cell-KR Circle, Bhoomi Monitoring Cell Office-GoK, Bengaluru and c). The Secretary to Government, (Fiscal Reforms), Finance Department, GoK, MS Building, Bengaluru by marking a copy to our office for information.

SLBC also requested them to arrange for completion of all pending functions and reporting, by branches and controlling office, pertaining to CLWS on or before 30.09.2020. The copy of the letter (SLBC Ref letter No 213/SLBC/2944/CLWS/2020-21/F-653 dt 05.09.2020) is provided in the annexure 6C page no.129.

**6.6: Closure of CLWS-2018-Collection of information from CLWS beneficiaries and processing of all pending cases by the branches.**

Letter reference no BMC 30 CLWS 2019-20 dated 24.09.2020 received from Secretary to GoK, DPAR (A& R) & Chairman of CLWS along with our SLBC letter reference no 224/SLBC/CLWS-2018/2020-21/F-653 dated 24.09.2020 was forwarded to the Controlling Heads of Member Banks and LDMs in the state.

In the letter department states that though they have been periodically sharing list of pending accounts with individual banks, still large number of crop loan accounts are pending at various level viz: 1).FSD incomplete, 2).FSD not uploaded, 3).Green list not approved by Managers, 4).Not provided alternate account number in case of bounced accounts, 5).alternate account number provided by the branches are not approved by the Dy. General Managers etc.

In letter it is clearly stated that, all the pending CLWS-2018 shall be completed by all levels **on or before 20.10.2020** and any pendency after this due date, the banks concerned are only responsible for the claims which may arise in due course from eligible borrowers.

We, therefore, once again request Controlling Heads of Member Banks, Karnataka State and LDMs, Karnataka State to go through the letter and advise the branches/administrative office suitably to complete the process well within time.

The SLBC reference letter no 224/SLBC/CLWS-2018/2020-21/F-653 dated 24.09.2020 and letter reference no BMC 30 CLWS 2019-20 dated 24.09.2020 received from Secretary to GoK, DPAR (A& R) &Chairman of CLWS is provided in annexure 6D and 6D1 page no.130 to 131.

**AGENDA 7: Fisheries Loan Waiver Scheme:**

**Waiver Scheme for Fisheries loans availed with interest subvention @ 2% in FY 2017-18 and 2018-19 in Commercial banks and RRBs:**

Director of Fisheries has informed that fisheries loan waiver process has been initiated and SLBC has circulated guidelines (Kannada & English) issued by Fisheries department, GoK to all the controlling Heads of Banks and 3 coastal district LDCMs (was already placed in 150th SLBC Agenda booklet).

SLBC has conducted meetings with Fisheries Dept. and LDMs of 3 coastal districts, reviewed the progress and suggested for early uploading of data of all eligible beneficiaries.

**7.1: Progress under the Fisheries Loan Waiver Scheme:**

**District wise** progress is detailed below**:**

(As on 09.09.2020)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **S N** | **District Name** | **No. Of branches** | **Total Number Of Loan's(Entered By DEO)** | **Number of Loans Approved By Bank Manager** | **Number of Loans Approved By DGM** | **Number of FSD Uploaded** |
| **1** | **Udupi** | 51 | 21410 | 20985 | 20815 | 2542 |
| **2** | **Dakshina Kannada** | 17 | 1935 | 1931 | 1922 | 280 |
| **3** | **Uttara Kannada** | 17 | 69 | 43 | 4 | 21 |
| **Grand Total** | | **85** | **23414** | **22959** | **22741** | **2843** |

**Bank wise progress is detailed below:**

 (As on 09.09.2020)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **S N** | **Name of the Bank** | **No. Of branches** | **Total Number Of Loans (Entered By DEO)** | **Number of Loans Approved By Bank Manager** | **Number of Loans Approved By DGM** | **Number of FSD Uploaded** |
| **1** | Union Bank of India (e-Andhra Bank) | 1 | 59 | 59 | 59 | 28 |
| **2** | Bank Of Baroda | 11 | 1563 | 1515 | 1515 | 183 |
| **3** | Canarabank | 4 | 24 | 24 | 0 | 1 |
| **4** | Union Bank of India (e-Corporation Bank) | 35 | 20275 | 19923 | 19825 | 2369 |
| **5** | K V G B | 1 | 11 | 11 | 0 | 10 |
| **6** | State Bank Of India | 5 | 12 | 0 | 0 | 0 |
| **7** | Canarabank (e-Syndicate Bank) | 15 | 192 | 178 | 101 | 77 |
| **8** | UCO Bank | 1 | 8 | 8 | 0 | 1 |
| **9** | BoB (e-Vijaya Bank) | 12 | 1270 | 1241 | 1241 | 174 |
| **Grand Total** | | **85** | **23414** | **22959** | **22741** | **2843** |

The three costal district LDMs reported that, most of the branches have completed the data entry in portal and FSD uploading.

Therefore fisheries department is requested to start the process of releasing of waiver amount to beneficiaries as per the extant guldens of GoK.

The Director of Fisheries letter reference no Df/Lon/4/2019-20 dated 15.09.2020 (Provided in Annexure 7, page no.132) regarding FLWS –timeline for completion of data entry and uploading FSD from respective bank branches- portal closed - is circulated to three costal district LDMs and banks state controlling offices.

SLBC requests Fisheries Dept. to expedite the release of waiver amount of all eligible claims.

**AGENDA 8: Discussion on market intelligence issues - RBI.**

|  |  |  |
| --- | --- | --- |
| **Sl NO** | **Name of the entity** | **Nature of the activity/Brief summary of the case** |
| **1** | **The JOHN Co-operative Society Bank (P) Ltd** | one entity in Bellari district namely “The JOHN Co-operative Society Bank (P) Ltd” was using the word “bank” in its name, without authorization from any regulator, the matter was referred to Principal Secretary, Revenue Department vide our letter dated July 30, 2020 regarding unauthorized deposit collection by the entity for information and necessary action as deemed fit. |
| **2** | **Sahara Credit Cooperative Society Limited** | A complaint was received from one Shri. Gaddeppa Eachanal, retired Postmaster, Sindhanur, Karnataka on the captioned subject. It is alleged that the entity Sahara Credit Cooperative Society Limited (SCCSL)has defaulted towards payment of F2 Sahara Bonds Matured Certificates for an amount of Rs. 1,27,000/-. The complaint has been forwarded to General Manager, DOS, Lucknow RO vide letter dated September 01, 2020 as it is Multi State Cooperative Society registered under MSCS Act 2002. The letter was endorsed to Registrar of Cooperative Societies, Government of Karnataka and Central Registrar of Cooperative Societies, KrishiBhawan, New Delhi. |
| **3** | **Spice India Group** | Market Intelligence (MI) input from our Regional Office, RBI Thiruvananthapuram regarding news report appearing in Marketing feature of Mathrubhumi Daily, on the captioned subject. It is stated in the said report that the entity invites public to start their own businesses by safely investing in tea estates of Spice India Group. The report contains a toll free number of the Spice India Group 1800 212 444 441 and many contact numbers in Chennai, Salem, Bengaluru, Kerala, Hyderabad, Mysore, Hosur, Ooty/Gudalur and Coimbatore. As per the website [www.spiceindiagroup.com](http://www.spiceindiagroup.com/), the company is involved in various farming activities, production of spices and tea, tea leaf plucking machine etc. As the entity is involved in unauthorised collection of deposits from members of general public, the matter has been forwarded to AIGP Crime, principal Secretary, Revenue Department and DGM, SEBI vide letter dated September 01,2020 for information and necessary action as deemed fit. |
| **4** | **Jansewa Society** | Market Intelligence (MI) input was received from our Regional Office, RBI Thiruvananthapuram, regarding Jan Sewa Society, which claims to be registered with the Registrar of Societies, Ministry of Industry and Commerce, Government of Haryana and offers exponential return for investment by operating a website just200.biz. It is evident from the available information that the schemes offered by the entity viz. Forced Matrix Helping Plan, Starter, Middle and End Plans are akin to Pyramid, or Ponzi schemes and details may be seen from its facebook page. (<https://www.facebook.com/just200admin/>). While the said entity is registered in the State of Haryana, it appears that their business activities are spread across various States, including Karnataka. Hence, the case has been forwarded to AIGP Crime vide letter dated August 31, 2020. As per the account statement of the entity, received from the office of SSM, Canara Bank, the amounts in multiple of Rs.200 from various clients is being collected by the entity regularly. Total credit into the account so far (upto Aug 25th) has been Rs.1.15 lakh since inception. It can be seen from KYC documents that the proprietors of the company belong to Karnal (Haryana). We shared the case details with Chandigarh RO and Delhi RO for information and necessary action as deemed fit. |
| **5** | **L R Trading – Long Rich Technologies** | It is alleged by one Shri. Anshif PK that Mr. Nishad, the proprietor of the entity viz. L R trading had collected deposits from students of various colleges in Karnataka, Kerala and Tamilnadu by offering 400% as returns on the investments within a period of six months and later absconded. The matter has been forwarded to AIGP Crime vide letter September 03, 2020, for information and necessary action as deemed fit under the provisions of KPID Act, 2004 and BUDS Act, 2019 with reference to the previous Sachet complaint which has been forwarded to Principal Secretary, Revenue Department vide letter August 13, 2020 |
| **6** | **M/s. MagsEvershine Marketing Pvt Ltd** | The complaint pertains to an alleged illegal Multi-Level Marketing Pyramid scheme. The complainant has become a victim of illegal Multi-Level Marketing scheme apparently run by the subject company which had promised to offer a product for Rs.2000/- and has allegedly failed to deliver the said product after receiving the due payment. Further, it is alleged that the complainant is being forced to enroll four more “direct sellers” in order to receive the claimed benefit against his payment. The complainant has requested to take suitable action and to prevent others becoming victims to this alleged fraud MLM scheme. The complaint pertains to an alleged illegal Multi-Level Marketing Pyramid scheme, which as per the definition provided under Direct Selling guidelines 2016, is the network of subscribers to a scheme formed by subscribers enrolling one or more subscribers in order to receive any benefit, directly or indirectly, as a result of enrolment, action or performance of additional subscribers to the scheme. As the matter pertains to Direct Selling and Multi-Level Marketing (MLM), the matter was referred to Additional Chief Secretary, FCS&CA, GoK; Principal Secretary, Revenue; Registrar of Companies, Karnataka; The Assistant Inspector General of Police, Crime vide letters dated August 28, 2020. |
| **7** | **Garvit Innovative Promoters Limited (Bike bot)** | It is alleged that the complainant, a resident of Belagavi, had been cheated after investing in M/s Garvit Innovative Promoters Ltd, also known as Bikebot, which is registered with RoC- Kanpur and having address Plot No -01, Chiti, GautamBudh Nagar, Greater Noida, Uttarpradesh. The complainant invested Rs. 1,86,300/- for 3 bikes regarding the scheme with returns of Rs. 9,675/- per month for 12 months if Rs. 62,100/- is invested for one bike. It is informed that initially, the complainant had received Rs. 1,01,655/- from September 2018 to November 2018 and did not receive returns from December 2018. The post-dated cheque issued by the said company to the complainant for amount Rs. 2,96,565/- was bounced as the account was blocked.  (cheque no- 805611, bank- Noble cooperative bank, Noida). It is requested by the complainant to investigate the matter pertaining to said company. Sachet Complaint has been forwarded by Kanpur RO to registrar of companies (RoC), Kanpur for necessary action as Garvit Innovative Promoters Limited is registered with RoC, Kanpur. The complainant has been advised by us to lodge complaint in jurisdictional police station. Recently, it was reported in news that EOW, Delhi Police arrested CMD Sanjay Bhati& Director Rajesh Bhardwaj of M/S Garvit Innovative Promoters Ltd. They cheated approximately 42000 crores from victims of different states on the inducement of good return in a ponzi scheme 'Bike Bot'. |
| **8** | **Adarsh Credit Cooperative Society Limited (ACCSL)** | The complaint pertains to sudden closure of branches/operations of the society at Thanjavur, Tamilnadu and also at other places of operations of the society which is spread across various other states, including Karnataka, without any intimation to its “investors” and allegedly cheating and looting the innocent “investors”. As the society is registered as a Multi-State Cooperative Society under the provisions of MSCS Act, 2002 and is currently under liquidation in terms of CRCS order dated November 29, 2019, the matter has been referred to RCS, GoK vide letter dated September 04, 2020. |
| **9** | **Popular Finance** | A complaint has been received from one Shri. M.I.N. Panicker informing that he had invested an amount of Rs. 20,53,500/- in M/s Popular Finance (Popular Traders), Mathikere branch Bengaluru, which promised to offer higher returns at the rate of 12% per month. It is alleged that the said entity has failed to deliver the interest amount on the deposits and refused to close the accounts. (Relevant documents enclosed for your ready reference please). Another complaint enclosed from the same address is from one Sri. SarammaPanicker who had invested 14,74,880/- in the captioned entity, on which the returns have not been paid on the deposits till date. Recently, it was reported in news that Kerala Police have arrested the owners of the Kerala-based finance firm against which over 200 cases have been filed by various depositors and investors alleging fraud of around Rs.2,000 crore. The entity has been offering gold loans since 1965 operating as a licensed moneylender under the Kerala Moneylender’s Act, 1958. It is stated that M/s Popular Finance is not registered as Non-Banking Finance Company (NBFC) with Reserve Bank of India. The complaint has been forwarded for Assistant Inspector General of Police (AIGP Crime) and endorsed to offices of Principal Secretary, Revenue Department, Additional Chief Secretary, Home Department, vide letter dated September 19, 2020 for information and necessary action, as deemed fit. |
| **10** | **UtsavFintech Private Limited – Utsav Bank** | Market Intelligence (MI) input was received regarding UtsavFintech Private Limited, an entity registered with the RoC, Bengaluru, is using the words “bank” and “banking” in an unauthorised manner. It can also be seen from the entity’s website [https://www.utsavbank.com](https://www.utsavbank.com/) that it is liberally using the word “bank”, “banking platform”, etc., and operating as “Utsav Bank” without authorization. As the captioned entity is operating in violation of the provisions of the Banking Regulation Act, 1949 by using the word ‘bank’, the matter has been forwarded to Assistant Inspector General of Police, (AIGP Crime) vide letter dated September 04,2020. Based on our Market Intelligence (MI) visit, it is found that the company viz. UtsavFintech Private Limited which is registered with RoC, Bengaluru, has not been operating at the following addresses.  i) No.128 P2 EPIP White Field Industrial Area, Bangalore – 560048  ii) Padmavathi Complex, 3rd floor, 80 feet road, Koramangala 8th block, Bengaluru – 560095.In this connection, AIGP Crime was requested to initiate necessary action through Cyber division including blocking of the website <https://www.utsavbank.com> vide our letter dated September 19, 2020 with endorsement to Registrar of Companies, Karnataka for information and necessary action as deemed fit. The company has been advised to submit the details of business operations, along with the latest available financial statements and copies of agreements with various banks viz. ICICI, Yes Bank, RBL, DBS and Kotak, as quoted on website https://utsavbank.com/ to enable us to ascertain future course of action. |

**8.1: RBI other agenda for 151STSLBC meeting:**

**A. Internal Working Group to review Agriculture Credit.**

The Internal Working Group on Agricultural Credit had made certain recommendations which are at various stages of implementation by State and central Governments. The following issues were discussed at the previous SLBC meeting.

1. Ensure that the ‘Bhoomi’ platform achieves 100% digitization of land records of the state and is made fool proof to allow banks and financial institutes to view records, registers charges, etc, with ease.
2. State Governments to promote and conduct awareness drives for land consolidation so that the farmers can achieve economies of scale and have the incentive to make long term investments.
3. State Governments to allocate a larger portion of their borrowing from RIDF for the purpose of absorbing funds for rural infrastructure development in the state.

Implementation of IWG was an action point for Bhoomi Monitoring Cell, Kaveri Online Services- Department of Stamps and Registration and the concerned Government Department. (Agenda no.8.1A, Proceedings of 150th SLBC meeting)

**B. Review of priority sector lending guidelines**

PSL have been reviewed after wide ranging consultations with all stakeholders. These revised guidelines aim to encourage and support environment friendly lending policies to help Sustainable Development Goals (SDG). To address the regional disparities in the flow of priority sector credit, an incentive framework has been put in place for banks. While higher weight will be assigned for incremental priority sector credit in the identified districts where credit flow is comparatively lower, a lower weight would be assigned to incremental priority sector credit in identified districts where the credit flow is comparatively higher. Other changes include broadening the scope of PSL to include start-ups increasing the limits to renewable energy, including solar power and compressed bio gas plants and increasing the targets for lending to ‘Small and Marginal farmers and weaker sections’.

**C. Scale of Finance**

SLBC had raised certain issues on the non-flexibility of the Scale of Finance and NABARD had advised Apex bank to go ahead with a band width of 20% for the present year considering that sowing has already commenced and half way through many districts. There is a suggestion from the Director, Horticulture Department that the SoF fixed by the DLTCs may be continued and SLTC may only fix the range. SoF may be finalized at the earliest.

**D. Expansion of Bank Coverage**

As per objectives under “National Strategy of Financial Inclusion” for further expanding the banking coverage and ensuring universal access to financial services, two villages are yet to be covered and is remaining with Federal Bank and India Post Payments Bank (one each) for opening banking outlets. Federal Bank and India Post Payments Bank are advised to ensure completion of the milestone at the earliest. SLBC is submit the status report as per the format provided by us.

**E. Deepening and Expansion of Digital Payment Systems**

The Convenor role of the Sub-Committee on Expansion and Deepening of Digital Payments Ecosystem has been handed over to State Bank of India and the 2nd Sub-Committee Meeting was held on August 05, 2020. It has been observed from the ongoing process that KVGB has shown commendable improvement under Digital Coverage for individuals (SB ACs) from 74% to 93% and significant improvement has also been reflected by UBI, IOB, CBI, ICICI Bank. Also, there has been wrong / delayed reporting by few of banks which defeats the sole purpose and the integrity of the data. Sub-Committee to follow-up with the concerned banks to ensure early completion of the target to make Raichur 100% digitally enabled district. Also, SBI is advised to continue engaging FLCs RSETI, Raichur, and BCs to create awareness on digitization.

**F. Promotion of Organic Farming**

Agriculture is one of the key sector in Indian Economy as it has a significant contribution to the country’s employment generation and GDP growth. Within the sector, Organic Farming has gained a greater significance due to its environmental and health benefits.

On Sikkim being declared as the first Organic state, our Gangtok Office in consultation with Sikkim Organic Mission has documented a monograph detailing the journey of the State to be the first Organic State, a copy of which has also been shared with SLBC.

SLBC may report the status achieved after constituting a Sub-Committee to devise a plan to replicate the best practices of the model framework, to promote Organic Farming.

**G. PRAGATI meeting**

The Pro-Active Governance and Timely Implementation meeting held on January 22, 2020 to review the implementation of social security schemes such as PMJJBY & PMSBY, vide RBI letter dated April 7, 2020. In view of the concerns shared therein, SLBC was requested to advise banks to take the following action to increase the coverage and spreading awareness among targeted beneficiaries under PMJJBY and PMSBY.

1. Conduct periodic publicity campaigns with special focus on rural areas at regular intervals for creating awareness about benefits of Social Security Schemes
2. Streamline procedures and leverage technology to speed up claim settlement process and improve outreach
3. Ensure that no eligible Jan Dhan account holders are left out from availing the risk covers under PMJJBY and PMSBY
4. Enroll beneficiaries of other government scheme like PM Ujjawala, PM Kisan, MGNREGA etc. under the scheme.
5. Use SMS and other digital platforms to make account holders aware of the schemes and also seek auto debit mandate from them
6. Leverage marketing Channels like Banking Correspondents (BCs) for ensuring Pan India coverage and innovative ways be devised for motivating the field level functionaries for enhancing enrolments, especially under PMJJBY and PMSBY and
7. Fix target of fresh enrolment under PMJJBY and PMSBY to enhance enrolment till March 31, 2021.

We have received the status report pertaining to quarter ended June 2020 wherein it is observed that the targets are fixed for the banks. SLBC is advised to forward the bank-wise progress so as to enable us to monitor the quarter on quarter growth.

**H. Emergency Credit Line Guarantee Scheme (ECLGS):**

The ECLGS had some confusion prevailing against various borrowers while approaching banks seeking limits, SLBC was advised during 150th Meeting, to prepare a common checklist together wih a list of documents to be submitted by the MSME borrowers desirous of availing the limits under the scheme. In this connection, email on October 10, 2020 was sent to SLBC for updates. The reply is awaited.

**I. National Strategy for Financial Education (NSFE) 2020-2025**

NSFE document for the period 2020-2025 has been prepared by NSFE in consultation with all the financial sector regulators, DFS and other ministries of Govt. of India and other stakeholders under the aegis of the Technical Group on Financial Inclusion and Financial Literacy. The NSFE intends to support the vision of the Government of India and the Financial Sector Regulators by empowering various sections of the populations to develop adequate knowledge, skills attitudes and behaviour which are needed to manage money better and to plan for the future. Necessary assistance and support may be provided by all the stakeholders in implementing the recommendations to move towards the vision of a financially aware and empowered India. The document is available in RBI website both in English and Hindi.

**J. Cybercrime coordination and response:**

As reported by the Police authorities, Cyber-crimes have been on the rise in the State. An important way to reduce the financial losses on account of cyber-crimes is expedient examination and response on the reported incidents by the investigative agencies/ Police authorities. However, it has been highlighted by the State Cyber Police authorities that the response from the banks, in the State, comes with a delay, cumulating large losses for the victim in the meantime.

There remains an apparent absence of a consistent internal practice at the banks on governing freezing/ defreezing of the bank accounts (e.g. on internal approvals, governance, time limits, resolution of improper execution of order, etc.) based on the order received from the Police authorities. There is a need for the banks to institutionalize the process in order to minimize the turnaround times (TAT) for the banks between the receipt of freezing order and actual freezing of the bank account.

The specific action to be taken by banks would be

1. To identify the account where the funds have been received by the fraudsters and
2. Effect a debit freeze on the conduit accounts.

Some of the attendant issues are whether the banks can act based on the Police order received over e-mail. If yes, then is there a preferred form in which they would receive the order to be readily actionable. On receipt of the freezing order from the Police, banks route it through internal approvals, and advise the concerned branch to freeze the account. In some cases, banks undertake freezing centrally. In order to avoid delay, whether the internal processes of approval/ executing the order in the system, etc., could be looked at and a common SOP could be adopted. Further, whether banks can have a “nodal point” for the Cyber Police authorities to approach. If email orders are admissible, then each bank could have a generic e-mail id on which the freezing orders could be received and acted upon swiftly. The Cyber Police would also need to designate a secure/ generic email id for such correspondence.

Accordingly, banks should be in position to develop a robust mechanism of coordination with the Police authorities for receiving the order of freezing bank account and putting in place an efficient response system within the banks to be able to respond to the bank account freezing orders immediately in a secured manner.

SLBC could examine the matter holistically and action taken may be informed.

**AGENDA 9: NABARD’s agenda for 151STSLBC meeting**

**1. Support to Government of Karnataka under RIDF**

NABARD has supported GoK for creating rural infrastructure covering Agriculture and allied sector, rural connectivity and improving standards of social sector under all tranche as on 31/8/2020 as below:

**(₹. Crores)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SN** | **Name of the Sector** | **No. of projects** | **Total Financial Outlay** | **Loan Sanctioned** | **Amount Disbursed** |
| 1 | Agriculture and allied projects | 4891 | 1603.87 | 1472.82 | 1064.96 |
| 2 | Social sector projects | 21031 | 3948.20 | 3361.10 | 2217.79 |
| 3 | Irrigation projects | 5124 | 3942.90 | 3303.14 | 2383.13 |
| 4 | Rural roads and bridges | 12593 | 7909.39 | 6449.35 | 5824.54 |
|  | Total | **43639** | **17404.36** | **14586.41** | **11490.42** |

GoK has undertaken rural infrastructure projects in all districts of the State. RIDF assistance has helped the state in bringing more than 4.49 lakh Ha of land under irrigation. It has helped in creating more than 45383 KM of road length and 57214 M of bridge length besides creation of education and social infrastructure in rural areas.

**2. Agriculture Infrastructure Fund**

Agri Infrastructure Fund of Rs 1 lakh crore for creation of farm-gate infrastructure for farmers, Primary Agricultural Cooperative Credit Societies, Farmers’ Producer Organizations (FPOs), agriculture entrepreneurs, start-ups, etc. has been announced by GOI. Banks may finance creation of basic infrastructure facilities for FPOs such as agro-processing units, pack houses, assaying units, logistics facilities etc., these loans will have interest subvention of 3% per annum up to a limit of Rs 2 crore. Credit guarantee may be availed from the facility created under FPO CSS Scheme.

**3. Sanitation Literacy Campaign**

In line with GoI’s “Swatch Bharat” mission NABARD is conducting “Sanitation Literacy Campaign” during 02 Oct 2020 – 26 Jan 2021 with the objective of bringing behavioral changes in rural folk and address demand side issues by promoting credit modes and institutional lending. Banks may provide matching loans to needy families for meeting margin money (own contribution) to facilitate availment of government assistance for construction of new toilets as also for repair for old ones to make them functional. This would help villages achieve ODF status.

**4. KCC saturation campaign- Phase II**

Department of Financial Services vide their letter dated 31 July 2020 communicated that as per DAHD (Dept. of Animal Husbandry and Dairy) special “Campaign for KCC to 1.5 crore dairy farmers of Milk Cooperatives and Milk Producer Companies” is extended by 2 months i.e, from 1 Aug 2020 to 30 Sep 2020.

Banks may avoid common reporting mistakes on KCC Saturation Drive on NABARD ENSURE Portal and reconcile the position of applications received by their bank with that as available on the PMFBY portal.

**5. Farmers Producers Organizations (FPOs)**

* RBI may consider advising banks and other financial institutions for financing FPOs based on life cycle approach including collateral-free loans up to Rs. 20 lakh (on the lines of loans to SHGs under SRLM) to meet their initial financial needs for aggregation and marketing of agricultural produce of members.
* Banks may develop/ innovate loan products to meet the credit needs of FPOs (adopt credit plus approach) against the available credit guarantee cover or based on business models/ cash flow of FPOs. For this, the lending agencies may develop mechanism to assess the credit needs and design appropriate loan products for FPOs as a part of their corporate business development strategy.
* SLBC may consider incorporating FPO financing as a separate sub-target under the agriculture sector and monitor the credit flow on a regular basis. Similar advisory may be issued to LDMs for monitoring at the district/ block level.

**6. Discontinuation of Dairy Entrepreneurship Development Scheme (DEDS) for the financial year 2020-21:**

No budgetary allocation in the Department under DEDS during 2020-21 and it may be considered as discontinued for the financial year 2020-21.

**7. Micro Food Processing Enterprises (MPFE)**

A Central Sector scheme of Rs 10000 crore for the formalization of Micro Food Processing Enterprises (MPFE) under ‘Vocal for Local with Global outreach’ vision of Hon’ble Prime Minister, has been initiated. This will help 2 lakh MPFEs attain technical up-gradation, FSSAI food standards, build brands and marketing. The scheme would provide support to FPOs/SHGs for capital investment along the entire value chain with credit linked grant @35%, which includes development of common infrastructure including common processing facility, lab, ware house, packaging etc.

**8. Continuation/Extension of Public funded ongoing Schemes:**

As per Dept. of Expenditure OM, under reference of ISAM Schemes and its sub-schemes including AMI may have deemed to be approved for a period till 31 March 2021 or till the date of recommendation of 15 Finance Commission come into effect, whichever is earlier.

**9. Extending Support to Banks under Financial Inclusion Fund (FIF)**

(i) Under the Financial Inclusion Fund (FIF) maintained at NABARD, for FY 2020-21, an allocation of Rs 780.95 lakh has been earmarked for Karnataka for extending support to banks for the required Financial Inclusion infrastructure in banks as well as for creating awareness and spreading Financial Literacy.

(ii) Considering the prevailing Covid-19 situation, the focus will be on promoting digitization across the rural areas. Further, in order to address the regional aspirations and requirements, a differentiated approach has been evolved under the schemes of FIF so as to provide more thrust to backward districts that are constrained by various physical, economic and sociological characteristics, termed as the special Focus Districts (SFDs).

In Karnataka, Raichur and Yadgir have been identified as Special Focus districts where under the eligible grant support has been enhanced to 90% of the eligible expenditure incurred by the implementing banks. The grant support for projects in other districts would be limited to 60%, 80% and 90% for Scheduled Commercial Banks (including Payment and Small Finance Banks), Regional Rural Banks and Rural Cooperative Banks respectively.

(iii) NABARD vide Circular No:211/ DFIBT-05/2020-21 dated04.08.2020 has extended the Support for components under Connectivity and power infrastructure viz. VSAT Deployment, Mobile signal booster deployment and Solar power unit/UPS deployment to all districts. The support may also be given to existing bank branches which are facing power supply and connectivity issue, however, priority may be given to new branches being opened in unbanked areas while submitting proposals. The FI sub-committee of SLBC and LDM would be required to certify the areas having no or intermittent connectivity.

(iv) Scheme for deployment of 20 lakh BHIM Aadhaar Pay devices including merchant on boarding launched during 2017-18 with the objective to create acceptance infrastructure at ground level in order to give a boost to digital transactions was reviewed in the XXVI meeting of the Advisory Board on FIF and it has been decided to extend the time period of the scheme up to 31.03.2021. Banks may submit the proposals as well as claim applications at the earliest, but not later than 31.03.2021.

**10**. **Administrative Approval for implementation of Centrally Sponsored Scheme- National Livestock Mission-EDEG Component-Year 2020-21:**

Department of Animal Husbandry and Dairying, Ministry of Agriculture and Farmer’s Welfare, GoI vide letter no. 99-23/2014/LM/LD/EDEG (Vol I) dated 24 July 2020 have approved continuation of captioned Scheme for 2020-21.

**11. Farmers Registration and Unified Beneficiary Information System (FRUITS)**

Each individual bank may do the needful earnestly in this regard as deliberated upon in the meeting held for the purpose.

**AGENDA 10. Banking statistics as on June 2020:**

10.1: Business figures under various parameters:

Amount in Crore

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Particulars** | **June 2019** | **March 2020** | **June 2020** | **Y-o-Y variation June 2020 over June 2019** | | **Variation**  **June 2020 over March 2020** | |
| **Absolute** | **In %** | **Absolute** | **In %** |
| Deposits | 9,07,755 | 10,02,575 | 10,19,271 | 1,11,516 | 12.28 | 16,696 | 1.67 |
| Advances | 6,99,694 | 7,49,651 | 7,45,931 | 46,237 | 6.61 | -3,720 | -0.50 |
| **Credit-Deposit Ratio** | 77.08 | 74.77 | 73.18 | -3.90 |  | -1.59 |  |
| Total PSA | 2,68,142 | 2,85,959 | 2,77,331 | 9,189 | 3.43 | -8,628 | -3.02 |
| **% of PSA to Total Advances** | 38.32 | 38.15 | 37.18 | -1.14 |  | -0.97 |  |
| Agricultural Advances | 1,26,193 | 1,30,905 | 1,32,355 | 6,162 | 4.88 | 1450 | 1.11 |
| **% of Agri. Advances to Total Adv.** | 18.04 | 17.46 | 17.74 | -0.30 |  | 0.28 |  |
| Advances to MSME | 91,860 | 1,02,811 | 96,236 | 4,376 | 4.76 | -6,575 | -6.40 |
| **% of MSME to Total Advances** | 13.13 | 13.71 | 12.90 | -0.23 |  | -0.81 |  |

|  |  |
| --- | --- |
| **Sector** | **Particulars** |
| Deposits, Advances & CD Ratio | There is a Y-o-Y growth of 12.28% in deposits and 6.61% in advances as on June 2020 over June 2019. The CD ratio of the state is 73.18% as on June 2020. |
| Total PSA | The level of PSA in the State has increased from Rs. 2,68,142 crores as on June 2019 to Rs. 2,77,331 crores as on June 2020 showing an absolute growth of Rs.9,189 crores and percentage growth of 3.43% on Y-O-Y basis. |
| Agricultural advances | Agricultural advances have increased from Rs. 1,30,905 crores as on March 2020 to Rs. 132,355 Crores as on June 2020, showing an increase of Rs.1,450 crores. In comparison to June 2019, there is an increase of Rs. 6,162 croresi.e.4.88 % growth on Y-o-Y basis. |
| MSME sector | The outstanding level under MSME have increased by Rs.4,376 Crores from Rs.91,860 Crores as on June 2019 to Rs.96,236 Crores as on June 2020 i.e. growth of 4.76 % on YoY basis. |

**10.2: Branch Network:**

**(in numbers)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **MARCH 2020** | **JUNE 2020** | **Variation over March’20 to June’20** |
| 1. Rural | 4214 | 4209 | -5 |
| 1. Semi-Urban | 2560 | 2605 | 45 |
| 1. Urban | 2364 | 2366 | 2 |
| 1. Metro | 2331 | 2378 | 47 |
| **Total** | **11469** | **11558** | **89** |

The reduction in rural branches is not due to closure of branches and due to erroneous inclusion of RBOs under branches during previous reporting, which is now rectified by SBI.

* The number of bank branches has increased from 11469 as on 31.03.2020 to 11558 as on 30.06.2020, thus showing an increase of 89 branches.
* Bank wise No. of bank branches in the state is provided in Annexure- 10A (Page no.133).

**10.3: ATM Network:**

**(In numbers)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **MARCH 2020** | **JUNE 2020** | **Variation over March’20 to June’20** |
| 1. Rural | 2358 | 2366 | 8 |
| 1. Semi-Urban | 3489 | 3505 | 16 |
| 1. Urban | 4295 | 4306 | 11 |
| 1. Metro | 7246 | 7245 | -1 |
| **Total** | **17388** | **17422** | **34** |

* The total number of ATMs has increased from 17388 as on 31.03.2020 to 17422 as on 30.06.2020, thus showing an increase of 34 ATMs during the period.
* Bank wise No. of ATMs in the state is provided in annexure 10A1 (Page no.134)

**10.4: Representations of the peoples’ representatives referred by the RBI and Chief Secretary for opening of branches:**

Shri. Shivkumar Udasi, Hon’ble Member of Parliament, Lok Sabha has requested to open a bank branch at Peta-Alur village of Mundaragi Taluk, Gadag District which is a part of his Parliamentary constituency. The village has been allotted to KVGB for opening of bank branch as per the recommendations of LDCM Gadag.

KVGB has obtained permission from their Board for opening of Bank branch at Peta-Alur village and reported that Bank is under process of fixing the premises at Peta-Alur village. KVGM e-mail dated 20.08.2020 to SLBC and SLBC letter reference no 203/SLBC/2020/F-606 dated 21.08.2020 addressed to Shri. Shivkumar Udasi, Hon’ble Member of Parliament, Lok Sabha are provided in annexure no 10 B, page no.135 to 136.

SLBC requests KVGB to expedite the process and start functioning of branch at Peta-Alur village by 30.09.2020.

**AGENDA 11: REVIEW OF CREDIT DISBURSEMENT BY BANKS:**

**11.1. Achievement under ACP of the state, Priority Sector Lending**

The following table shows a comparative analysis of disbursement up to the quarter ending JUNE 2020 of FY 2020-21 vis-à-vis disbursements up to the quarter ending JUNE 2019 of FY 2019-20:

**(Amount in Cr)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Sector** | **Annual Target 2019-20** | **June 2019** | | **Annual Target 2020-21** | **June 2020** | |
| Achievement | % Ach. | Achieve-ment | % Ach. |
| Short Term Loan | 72816 | 11927 | 16.38 | 66018 | 13222 | 20.03 |
| Agri Term Loan | 42122 | 6186 | 14.69 | 46181 | 6386 | 13.83 |
| Total Agri Loans | 114938 | 18113 | 15.76 | 112199 | 19608 | 17.48 |
| MSE/MSME | 54074 | 22687 | 41.96 | 93089 | 18921 | 20.33 |
| Export Credit | 2611 | 1853 | 70.96 | 3019 | 1050 | 34.79 |
| Education | 4971 | 179 | 3.59 | 5805 | 174 | 3.01 |
| Housing | 25577 | 1064 | 4.16 | 27055 | 698 | 2.58 |
| Social Infrastructure | 1490 | 21 | 1.41 | 2318 | 11 | 0.47 |
| Renewable Energy | 1274 | 2 | 0.13 | 1703 | 0.33 | 0.02 |
| Other PSA | 7582 | 459 | 6.05 | 10754 | 223 | 2.07 |
| **Total PSA** | **212517** | **44378** | **20.88** | **255940** | **40685** | **15.90** |
| Agriculture (NP) | 1537 | 280 | 18.21 | 1820 | 174 | 9.57 |
| Education (NP) | 1587 | 152 | 9.59 | 1920 | 41 | 2.16 |
| Housing (NP) | 12137 | 10276 | 84.66 | 12897 | 5524 | 42.83 |
| Personal Loans | 64909 | 5046 | 7.77 | 17943 | 4138 | 23.07 |
| Others | 22811 | 64282 | 281.81 | 75036 | 30823 | 41.08 |
| **Total Non-Priority** | **102981** | **80036** | **77.72** | **109616** | **40700** | **37.13** |
| **Total Credit** | **315498** | **124414** | **39.43** | **365556** | **81385** | **22.26** |

SLBC requests controlling offices of all banks to formulate schemes and strategies& action plans to accelerate lending in the remaining quarters make the much needed credit available for productive purposes and achieve ACP targets.

* ACP achievement vis-à- target during FY 2020-21 and balance outstanding as on June 2020 is provided in Annexure 11 ( Page no.137)
* Bank wise & sector wise level of achievement in PSA under Annual Action Plan during FY 2020-21 is provided in Annexure 11A (Page no.138 to 139).
* Bank wise & purpose wise level of achievement in Non-Priority Sector Advances under Annual Action Plan during FY 2020-21 is provided in Annexure 11B (Page no.140 to 141).
* Bank wise level of Priority sector advance as on 30.06.2020 Annexure 11C (Page no.142 to 143).
* Bank wise level of Non-Priority sector advance as on 30.06.2020 Annexure 11D (Page no.144 to 145).

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

**Amount in Crore**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Scheme** | **June-19** | | **June 20** | |
| **No of a/cs** | **Amount sanctioned** | **No of a/cs** | **Amount sanctioned** |
| **Shishu** | 664979 | 1646.58 | 32574 | 97.74 |
| **Kishore** | 131656 | 1485.61 | 29470 | 529.16 |
| **Tarun** | 20014 | 715.88 | 6914 | 531.13 |
| **Total** | 816649 | 3848.07 | 68958 | 1158.03 |

* As on 18.09.2020 banks have sanctioned an amount of Rs. 7126.54 Crores to 976208 beneficiaries and Karnataka secured 1st Place in Mudra loan sanctions (**State wise loan sanctioned under Mudra Scheme as on 18.09.2020** details is provided in Annexure 11 E, page no.146 to 147.

The above table indicates that the amount financed under MUDRA scheme on YoY basis was less due to COVID-19 Pandemic.

SLBC requests all the Banks to implement the scheme in a big way in this financial year also.

Bank wise and district wise MUDRA details are provided in Annexure 11E1 (Page no.148 to 152) and Annexure 11F (page no.153 to 154), respectively.

**AGENDA 12: Status of rollout of Direct Benefit Transfer in the State – Aadhaar seeding and Authentication**:

**12.1: MGNREGA:**

As per the information provided by the Dept.:

* There are 73,61,958 **MGNREGA** workers’ accounts in the state as on 09.09.2020.
* Of this, 41,59,909 accounts have been converted into Aadhaar Based Payment which works out to 56.51% as on 09.09.2020

District wise details are furnished in Annexure 12 (Page no.155).

**12.2: Social Security Pensions:**

* The dept. has informed that there are 65.20 lakh Social Security Pension beneficiaries in the State who receive pension through banks and post offices.
* Of this, 56.31 lakh beneficiaries are seeded with Aadhaar numbers.
* However, only 13.12 lakh beneficiaries are having bank accounts and drawing pensions through banks.
* Out of 13.12 lakh pensioners’ bank accounts, only 5.67 lakh accounts are mapped with NPCI as on 14.09.2020.
* District wise Social Security pension accounts mapped with NPCI is provided in Annexure-12 A (page no.156).

SLBC requests controlling offices of all the member banks in the state to direct their branches to ensure opening of accounts of all the beneficiaries ‘seed with aadhaar and to map with NPCI’ at the earliest.

**12.3: Progress under Aadhar/Mobile seeding of operative CASA a/cs:**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **As on** | **No. of operative CASA**  **A/cs** | **No. of CASA A/cs seeded with Aadhaar** | **% of Aadhaar seeding** | **No. of CASA**  **A/cs Aadhaar authenticated** | **% CASA A/csAadhaar authenticated** | **No. of operative SB A/cs seeded with mobile No.** | **% of seeding** |
| 10.07.2020 | 830.86 | 717.71 | 86.38 | 428.20 | 51.54 | 705.84 | 85.33 |

**(Figures in Lakh)**

The Bank-wise Progress under Aadhaar seeding of CASA accounts and Mobile seeding of SB a/cs in Karnataka state as on 10.07.2020 is furnished in the Annexure 12B (page no.157) and annexure 12C (page no.158), respectively.

SLBC requests local offices of various departments to organize the beneficiaries to respective bank branches / BCs for PMJDY account opening / seeding of PMJDY accounts with adhaar & mobile numbers to enable them to receive all entitled benefits thro’ DBT.

**12.4: Status of Aadhaar Enrolment Centres in banks in the state:**

UIDAI, Bangalore has informed that as on 09.09.2020, 777 kits are active for the last 30 days with No. of enrolments/updates in the last 30 days being 242357.

Bank wise status of readiness of enrolment centers in Karnataka is provided in Annexure 12 D (page no.159).

UIDAI, MeitY, GOI vide their circular reference No.4(4)/57/341/2017/E&U dated 24.07.2020 (provided in Annexure D1, page no.160 to 163) communicated the revised targets for Bank’s Enrolment Centres for 2020-21 to carry out minimum number of enrolments/updates and penalty clause from Oct 2020 in case of non-achievement of minimum enrolments/updates per day per branch.

SLBC requests all banks to improve the enrolments.

**12.5: Progress under Social Security Schemes:**

**(No. of enrolments in lakh)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Scheme** | **O/s As on June 2020** | | | **O/s As on March 2020** | | | **Growth** | |
|  | **Rural** | **Urban** | **Total** | **Rural** | **Urban** | **Total** | **No.** | **%age** |
| PMSBY | 49.58 | 43.74 | 93.32 | 38.45 | 39.61 | 78.06 | 15.26 | 19.55 |
| PMJJBY | 21.10 | 18.29 | 39.39 | 17.80 | 16.41 | 34.21 | 5.18 | 15.14 |
| APY | 7.49 | 6.39 | 13.88 | 6.65 | 6.63 | 13.28 | 0.60 | 4.52 |
| **Total** | **78.17** | **68.42** | **146.59** | **62.90** | **62.65** | **125.55** | **21.04** | **16.76** |

* Bank wise and district wise progress under all the above social security schemes as on June 2020 is provided in Annexure 12E(Page No.164 to 165) and Annexure 12F (page no. 166), respectively.
* The performance of banks in all the three Social Security Schemes during the June quarter 2020 has been satisfactory.
* DFS vide letter reference no.F.No.M-18012/1/2020-Mission Janasuraksha dated 04.08.2020 requested PSBs including sponsored RRBs & 14 Major Pvt Banks that for the Policy Year 2020-21, all banks should endeavor to enroll at least 10% and 25% of the eligible PMJDY account holders under PMJJBY and PMSBY respectively. Copy of the DFS letter is enclosed as annexure 12E1 (Page no.167 to 169)
* However, keeping in view the potential available, SLBC requests all the banks to give focused attention to extend the benefit of all these social security schemes to all eligible people in their area of operation on a campaign mode.
* As per PFRDA:DFS:MOF ltr dt. 19.08.2019,(furnished in annexure no.12F1, page no.170 to 171) major deliverables under GPDP can be achieved thro’ captioned social security schemes with active participation of rural development / panchayat raj and LDMs at district level.
* PFRDA has launched a campaign for APY enrollment and guidelines are furnished in annexure no.12F2, page no.172 to 173.
* All member banks are requested to create awareness through FLCs and facilitate achievement of INSURED and PENSIONED INDIA goal.

**12.6 Progress under PMJDY:**

**(Outstanding No. of Accounts in lakh):**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **30.06.2020** | **30.06.2019** | **Variation** |
| **Total No. of A/cs opened** | 163.73 | 143.99 | 19.74 |
| **Total Aadhaar Seeded A/cs** | 125.28 | 114.27 | 11.01 |
| **% Aadhaar Seeding** | 76.51 | 79.36 | -2.85 |
| **Total accounts having Mobile Number** | 117.42 | 98.95 | 18.47 |
| **% Mobile Seeding** | 71.72 | 68.72 | 3.00 |

Bank wise details on the above parameters are provided inAnnexure-12G (Page no.174).

Member banks are requested to take note of the slight reduction in aadhaar seeding percentage and initiate necessary steps to improve upon the same.

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

**Grievances Redressal of Flagship programs like PMJDY, PMJJBY, PMSBY, APY, MUDRA and PMFBY:**

We are pleased to inform that Toll Free number 1800 4259 7777 is functional through vendor M/s Conneqt Business Solutions Ltd., Hyderabad.

The Toll-free Help Desk has started functioning since July 2019. The total no. of calls received at the Helpdesk from July 2019 to August 2020 is 9859. We request all the member Banks to popularize this Toll Free Number among their customers.

SLBC has written letter to the concerned Banks for payment of Toll-free Expenditure amount of Rs. 29172.07 per Bank for the period for January 2020 to March 2020. All the Banks who are yet to make the payment are requested to pay the same at the earliest.

From 01.04.2020, SLBC has added Punjab National Bank and Bandhan Bank in the list of Banks making payments as these 2 Banks have crossed the threshold of 100 branches in the state of Karnataka.

From April 2020, the Revenue Expenditure incurred for Toll-free Number will be shared equally among by the following mentioned Banks: Canara Bank, State Bank of India, Union Bank of India, Bank of Baroda, Bank of India, Central Bank of India, Indian Bank, Indian Overseas Bank, Punjab National Bank, Karnataka Bank Ltd., Kotak Mahindra Bank, Federal Bank, HDFC Bank, AXIS Bank, ICICI Bank, Bandhan Bank, Karnataka Grameena Bank and Karnataka Vikas Grameena Bank.

**12.8: Digital Apnayen :**

Campaign was launched by Finance Ministry - Mission office wherein during the period from 15.08.20 to 31.10.20 each branch shall onboard atleast 100 merchants and FI segment customers on digital payment mode and extending hand holding support to customers.

All banks are requested to take initiative to encourage customers to move to digital banking channels for their banking needs.

**AGENDA 13: Government sponsored schemes**

**13.1 Performance under Govt Sponsored Schemes for the FY 2020-21:**

For the year 2020-21, targets for different schemes under GSS except PMEGP, NULM, DAY-NULM, NACDC, AdiJambava, Udyogini(KSWDC), Dr.BabuJagajeevan Ram Leather Industries Development Corporation Ltd, Sheep& Goat Corporation are awaited.

Latest position on allotment of targets for and achievements of various Govt. sponsored schemes for the financial year 2020-21.Where targets are allocated, furnished here below and position of achievement as on June 2020 is as below.

1. **GoK Schemes (Amount in lakhs)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SL** | **Name of the Govt Department/Scheme** |  | **Target** | |
| **1** | Animal Husbandry &Vet services | **CAT** | **Phy** | **Fin** |
|  | i.Special Unit scheme | Sheep | 191 | NA |
| Goat | 92 | NA |
| ii.Girijana | sheep | 71 | NA |
| Goat | 45 | NA |
| **2** | Karnataka Adijambava Dev.Corpn |  |  |  |
| i.SEP - ISB | - | 2500 | 2500 |
| **3** | Karnataka State Women Devp. Corp. |  |  |  |
| Udyogini |  | 1813 | 2000 |
| **4** | Dr. BabuJagjivanram Leather Industries Dev. Corporation Ltd |  |  |  |
| i.Working Capital for Self-Employment Scheme | (Subsidy – Max. **Rs.** 50,000) | 50 | NA |
| ii.Establishment of Direct Sale Shop | (Subsidy – Max **Rs.** 4.00 lakh) | 100 | NA |
| iii.Mobile sales shops |  | 90 | NA |
| **5** | Dr.BR Ambedkar Develp. Corporation Ltd. Scheme |  |  |  |
| i.SEP (2020-21 Target) |  | 3234 | 3234 |
| ii.SEP back log for 2019-20 |  | 584 | 2390.50 |
| iii.Special Package |  | 4461 | 7395.50 |
| **6** | NijasharanaAmbigaraChoudaiah Development Corporation |  | 625 | 125 |

1. **GOI Scheme (Amount in lakh)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **SL** | **Name of the Govt Department/**  **Scheme** |  | **Target** | | **Progress** | | **Achievement %** | |
|  |  | **CAT** | **Phy** | **Fin** | **Phy** | **Fin** | **Phy** | **Fin** |
| **1** | **National Rural Livelihood Mission (NRLM)** | SHG Bank Linkage Groups | 475710 | 1038860 | 347430 | 316045 | 73.03 | 30.42 |
| **2** | **PMEGP** |  |  |  |  |  |  |  |
|  | i.KVIC |  | 866 | 2597 | 60 | 185.84 | 11 | 14 |
| ii.KVIB |  | 888 | 2662.59 | 121 | 306.31 |
| iii.DIC |  | 1772 | 5316.95 | 320 | 711.88 |
|  |  | Total | 3526 | 10576.52 | 501 | 1204 |
| **3** | **National Urban Livelihood Mission (NULM)** |  |  |  |  |  |  |  |
|  | Self-Employment |  |  |  |  |  |  |  |
| a) SEP-Individual |  | 3000 | 6000 | 283 | 293.46 | 9.43 | 4.90 |
| b) SEP-Groups |  | 300 | 1500 | 26 | 59.85 | 4.89 | 4.00 |
| SHG-Bank-Credit-Linkage |  | 1500 | 1500 | 195 | 134.31 | 13 | 8.95 |
|  | **Total** | **4800** | **9000** | **504** | **487.63** | **27.32** | **17.85** |

**\***Financial Year 2020-21 target has been communicated by SLBC to LDMs.

Target awaited from Devraj Urs BC Dev.Corp., Karnataka Vishwakarma Dev.Corp., Karnataka Maharshi Valmiki ST Dev.Corp., Karnataka Minority Dev.Corp., Karnataka Bhovi Dev.Corp., Pashu Bhagya from Veterinary Dept. and National Horticulture Board.

**Details of department-wise progress reports are provided in following annexures:**

Annexure 13 - Animal Husbandry and Veterinary Service (Sheep & Wool) (Page no.175 to 180)

Annexure 13A - Karnatka Adijambava Devt. Corporation (Page no.181 to 191).

Annexure 13B - Target under KARNATAKA STATE WOMEN DEVP. CORP. (Page no.192 to 193).

Annexure13C - Target under Dr. Babu Jagjivanram Leather Industries Dev.Corporation Ltd. (Page no.194 to 196).

Annexure 13D - Target under Dr.BR Ambedkar Develp. Corporation Ltd. Scheme (Page no.197 to 200).

Annexure 13E - Target under Nijasharana Ambigara Choudaiah Development Corporation Ltd. (Page no.201 to 224).

Annexure 13F - NRLM Bank wise Achievement (page no.225 to 226).

Annexure 13 G -Target and Achievement under PMEGP (Page no.227 to 229)

Annexure 13G1 - Discontinuation of CMEGP scheme 2020-21 (MSME GoK vide letter no CI-27CSP2019 dated 23.03.2020 (Page no.230).

Annexure 13 H - Target and Achievement under DAY NULM (Page no.231 to 275).

**13.2 PMAY-U (Housing for All 2022) – CLSS**

MoHUA, GoI has launched Credit Linked Subsidy Scheme (EWS / LIG) on 17.06.2015. It has extended the scheme to MIG-1 & MIG-2 category on 01.01.2017.

HUDCO/NHB and SBI have been identified as Central Nodal Agencies (CNAs) 370 & 134 Primary Lending Institutions have signed MoU with National Housing Bank & HUDCO respectively under CLSS.

Government of Karnataka has issued order vide no. DOH 76 HFA 2020 dated 20.06.20 regarding sanctioning of subsidy for housing loans sanctioned to undivided share of land to the beneficiaries of PMAY-U housing scheme, annexure 13-I, page no.276 to 279.

As on 19.09.2020, only 51367applicants have availed loan under PMAY (U)\_CLSS.   
Bank wise and district wise progress reports received from RGRHCL is provided as Annexure13J (page no.280 to 282).

During 24th SLMC meeting( 16.09.2020) RGHCL, GoK seeking relaxation from fees levied by banks while sanctioning housing loans to PMAY (U) /AHP beneficiaries .

Under Pradhan Mantri Awas Yojana (Urban), implementing agencies are constructing houses for site less beneficiaries on Government land across the State.

The cost of construction of single houses ranges from Rs. 4.50 lakh to Rs. 10.60 lakh. Under this mission, GOI and GoK are contributing Rs. 2.70 lakh and Rs. 3.50 lakh per unit belonging to general and SC/ST category respectively. The balance cost of the construction needs to be borne by beneficiaries from bank loan.

Various banks are levying the following charges while sanctioning home loan. The poor beneficiaries are experience difficulty in paying these charges.

1. Processing fee
2. Documentation charge
3. Inspection charge
4. Charging processing fee even in case of rejection.

Member Banks are requested to examine the issues exemption or make provision for nominal charges or waiver of said charges to poor, so as to provide relief to beneficiaries.

**Relaxation in service area restriction:**

Branches of the banks are sanctioning loan within their jurisdiction. Few branches have rejected Loan application as the AHP beneficiaries are not falling within their service area.

Banks are requested to sanction loan by relaxing condition of service area exclusively to AHP beneficiaries.

SLBC conveys its sincere thanks to GoK for issuing GO no 76 facilitating mortgage of flat with undivided share in land by AHP beneficiaries to lending banks.

**13.3 CREDIT FLOW TO MINORITY COMMUNITIES**

**Amounts Rs. In Crore**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **O/s as at 30.06.2019** | | | **O/s as at 30.06.2020** | | | **Variation over June 2019** | |
| **No. of A/cs** | **Amount** | **%age to total PSA** | **No. of A/cs** | **Amount** | **%age to total PSA** | **No. of**  **A/cs** | **Amount** |
| 2018018 | 41885 | 15.62 | 2481986 | 57214 | 20.63 | 463968 | 15329 |

* There is a growth of Rs.15329 Crores in advances to minority communities as at June 2020 over June 2019.
* The share of advances to minority communities in total PSA has increased from 15.62% as at June 2019 to 20.63% as at June 2020.

The Bank wise and religion wise advances to Minority Communities as on June 2020 is provided as provided in Annexure 13 K (Page no.283 to 286).

Bank wise disbursement and balance outstanding to Minority Communities as on June 2020 provided in Annexure 13L(Page no.287).

**13.4 FLOW OF CREDIT TO MINORITY COMMUNITIES IN IDENTIFIED DISTRICTS**

The outstanding level of credit to minority communities in the identified Districts as at June - 2020 is as follows:

**Amount in Lakhs**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of the District** | **Bidar** | **Kalburgi** | **Dakshina Kannada** |
| **June 2020** | **June 2020** | **June 2020** |
| O/s advances under Priority Sector Credit | 443325 | 954800 | 1658499 |
| Lending to Minority Community | 101252 | 251547 | 501347 |
| % of Minority Community Lending to PSA | 22.83 | 26.34 | 30.22 |
| Mandatory level of advances to Minority Communities out of total PSA | **15%** | | |

From the above table, it may be observed that:

* The flow of credit to minority communities in all the three minority community concentrated districts has surpassed the mandatory level of 15% of total Priority Sector Advances of respective Districts.
* While SBI is the Lead Bank in Bidar and Kalburgi districts, CanaraBank is the Lead Bank in Dakshina Kannada District.

**13.5: Grant of Education Loans:**

During the sanctioning review period of the June quarter 2020 of the FY 2020-21, various banks in the state of Karnataka have disbursed Education loans to the tune of Rs.216 Crores covering 8,072 students as against the annual financial target of Rs.7,725Crores under both priority and non-priority segments.

The performance of banks in lending under Education loans as the percentage of achievement v/s target works out to 2.80%.

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

**13.6.A: SELF HELP GROUPS:**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Agency** | **As at June 2020** | | | | | |
| **Credit Linkage during June quarter of**  **FY 2020-21** | | **Cumulative No. of SHGs credit linked since inception** | | **Average finance per group**  **(Rs. in lakh)** | |
| **No. of SHGs** | **Amount (Rs. in Cr)** | **No. of SHGs** | **Amount (Rs. in Cr)** | **During the FY 2020-21** | **Since inception** |
| Commercial Banks | 51211 | 428.23 | 1939723 | 25013.38 | 0.84 | 1.29 |
| RRBs | 29184 | 794.54 | 596540 | 8082.97 | 2.72 | 1.35 |
| Cooperatives& Other Banks | 2746 | 100.75 | 324706 | 6160.13 | 3.67 | 1.90 |
| **Total** | 83141 | 1323.52 | 2860969 | 39256.48 | 1.59 | 1.37 |

Bank wise progress under SHGs is provided in Annexure 13M (page no.288).

Cumulative progress in SHG linkage during the quarter ending June 2020 is provided in Annexure 13N (page no.289).

GoK is requested to study the administrative set up (SERP in in the state of AP and Telangana and Kutumba Sri in the state of Kerala), hand holding & benefits being extended to and models of SHGs in neighboring states and adopt with suitable customization and up gradation to further scale up the progress in the state.

**13.6 B: JOINT LIABILITY GROUPS:**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Agency** | **As at June 2020** | | | | | |
| **Disbursement during JUNE quarter**  **FY 2020-21** | | **Balance O/s as on June 2020** | | **Average finance per group**  **(Amount in lakh)** | |
| **No. of JLGs** | **Amount (Rs. in Crore)** | **No. of JLGs** | **Amount (Rs. in Crore)** | **During the FY 2020-21** | **Since inception** |
| Commercial Banks | 10965 | 80.33 | 353100 | 2382.85 | 0.73 | 0.67 |
| RRBs | 1510 | 25.50 | 33118 | 320.85 | 1.69 | 0.97 |
| Cooperatives | 17 | 0.46 | 2018 | 16.69 | 2.70 | 0.83 |
| Small Finance Banks | 9457 | 57.72 | 270039 | 1596.80 | 0.61 | 0.59 |
| **Total** | **21949** | **164.01** | **658275** | **4317.19** | 0.75 | 0.66 |

Bank wise progress under JLG-Bank linkage program as at June 2020 is given in Annexure 13.O (page no.290).

SLBC received a letter vide No.NB.KA.SLBC.873/MCID-GEN(13)/2020-21 dated 28.08.2020 from NABARD,RO, Bengaluru regarding Physical target for Credit linkage of **SHGs/JLGs** in   Karnataka state for the year 2020-21 and same has been circulated to Lead District Managers for reallocation of the targets of their District amongst bank branches in consultation with DDMs , NABARD Annexure 13P Page no.291 to 292.

**13.7: Progress in Stand Up India scheme as on 30.06.2020**

Amount in crores

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Scheme** | **Sanctioned as on June 2019** | | **Sanctioned as on June 2020** | |
| **No Of A/Cs** | **Sanction Amt** | **No Of A/Cs** | **Sanction Amt** |
| **SC** | 52 | 12.57 | 2 | 0.61 |
| **ST** | 17 | 5.84 | 0 | 0 |
| **Women** | 232 | 55.42 | 20 | 4.92 |
| **Total** | 301 | 73.83 | 22 | 5.53 |

* As on 23.09.2020 banks have sanctioned an amount of Rs. 8.26 Crores to 34 beneficiaries and Karnataka secured 7th Place in loan sanction under StandUp India Scheme is provided in annexure 13R, page no.295.

The above table indicates that the number of entrepreneurs financed and also the amount financed under stand up India scheme during June 2020 over June 2019 has slipped, on account of pandemic. Due to COVID 19 banks are not able to sanction loans under this scheme in June quarter as expected regularly.

District-wise and Bank-wise details of sanction and disbursement under SUI as on June 2020 is provided in the annexure 13Q (Page no.293 to 294).

**AGENDA 14: CD ratio, review of districts with cd ratio below 60% and working of   
 special sub-committees of DCC (SCC)**

The CD Ratio of the state as a whole as on 30.06.2020 is 73.18%.

**14.1: Districts with CD Ratio of less than 60% as on June 2020:**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Sl** | **Name of the district** | **As on June 2019** | | | **As on June 2020** | | |
| **Deposits (in crores)** | **Advances (in crores)** | **CD Ratio %** | **Deposits (in crores)** | **Advances (in crores)** | **CD Ratio %** |
| **01** | **Uttara Kannada** | 14678 | 5766 | **39.29** | 16406 | 6662 | **40.61** |
| **02** | **Udupi** | 24704 | 11967 | **48.44** | 25540 | 12675 | **49.63** |
| **03** | **Dakshina Kannada** | 46378 | 26928 | **58.06** | 50506 | 28589 | **56.60** |
| **04** | **Dharwad** | 23339 | 13851 | **59.35** | 26137 | 15305 | **58.56** |

While UK and Udupi districts have shown progress in terms of improved CD ratio, DK and Dharwad districts needs to improve the same. DCs and LDCMs are requested to initiate necessary measures in this regard after discussing the same in their special subcommittee and DCC meetings.

Bank wise CD Ratio, Deposits and Advances as on June 2020 is provided in Annexure 14(Page no.296), Annexure 14A (Pageno.297), Annexure 14B(Page no.298) respectively.

District wise CD ratio as on June 2020 is provided in Annexure 14C (Page no.299).

**AGENDA: 15: Position of NPAs in respect of schematic lending, certificate cases and recovery of NPAs**

**15.1: Non-Performing assets position as on 30.06.2020:**

**Amount in Crore**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sl.** | **Sector** | **No.** | **Amt** |
| 01 | AGRICULTURE | 1132069 | 17080.21 |
| 02 | MSME | 321951 | 8626.86 |
| 03 | HOUSING | 21857 | 1491.98 |
| 04 | EDUCATION | 23593 | 509.69 |
| 05 | OTHER PRIORITY SECTOR ADV | 387763 | 11848.96 |
| 06 | NON PRIORITY SECTOR ADV | 753263 | 17703.73 |
| 07 | TOTAL NPAs | **2640496** | **57261.43** |

Bank wise and segment wise NPA position is provided in Annexure 15 (Page no.300)

Bank wise data on NPAs in Housing and Education loans provided in Annexure 15A (Page no.301).

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

The summary of scheme-wise NPA position as at June 2020 is furnished here under:

**(Amount in Crore)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Agency** | **Balance O/S** | **NPA Level** | **% of NPA** |
| **KVIC** | 62.12 | 14.24 | 23 |
| **KVIB** | 99.30 | 26.57 | 27 |
| **DIC** | 80.64 | 15.48 | 19 |
| **Total** | 242.06 | 56.29 | 23.25 |

Bank-wise NPA level under the above schemes is furnished in Annexure 15B(Page no.302).

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

**(Amount in lakh)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **FY 2020-21**  **(for the quarter ending June 2020)** | **RCs pending as on previous quarter** | | **RCs filed during the quarter** | | **RCs disposed during the quarter** | | **RCs pending as at the end of the quarter** | | **RCs pending for more than 1 year.** |
| **A/cs** | **Amt** | **A/cs** | **Amt** | **A/cs** | **Amt** | **A/cs** | **Amt** | **A/cs** |
| June 2020 | 27824 | 28539 | 3 | 5 | 193 | 170 | 27634 | 28373 | 23779 |

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

The bank wise data on this Agenda is provided in Annexure15C (Page no.303).

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

**(Amount in Lakh)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **Cumulative from 01.04.2020 to 30.06.2020** | | |
| **No. of Notices sent** | **Amount involved** | **Amount Recovered** |
| SARFAESI | 3877 | 138861 | 5445 |
| DRT | 2056 | 54062 | 8000 |
| LOK Adalat | 4736 | 3257 | 710 |
| Total | 10669 | 196180 | 14155 |

The Bank wise data on this Agenda is provided in Annexure15D (Page no.304).

**15.4.1: Bank of Baroda representation: Applications pending for more than 60 days before District Magistrates under SARFAESI Act.**

The recovery through sale of securities under SARFAESI Act without intervention of court is an effective tool for speedy and effective recovery of NPAs. Properties in banks physical possession increases chances of success in e-auctions.

Bank of Baroda reported that applications filed by banks before District Magistrate for physical possession of properties should be disposed within 60 days as per SARFAESI Act. However, there are large number of applications pending before DMs beyond 60 days resulting in delay recovery of NPAs. BoB vide letter no BCC/RECY/112/1250 dt 14.08.2020 is provided in annexure 15E page no.305 to 310.

SLBC request State government to issue necessary directions for expeditious disposal of all pending applications.

**AGENDA16: REVIEW OF RESTRUCTURING OF LOANS IN NATURAL CALAMITY**

**AFFECTED DISTRICTS IN THE STATE, IF ANY**

During the April to June 2020, there was no restructuring of any loans as no notification was issued pertaining to natural calamity during first quarter of financial year 2020-21. Bank wise and district wise nil report provided in annexure 16, page no.311 to 312.

Government of Karnataka has issued notification vide no.391 TNR/2020 dated 10.09.2020 regarding declaration of flood affected 23 district and 130 taluks in Karnataka state during August 2020 in Karnataka state , annexure 16A.Page no.313 to 318.

SLBC has circulated the crop loss report in 130 taluks of 23 districts received from Disaster Management Dept. on 28.09.20 to member banks and request all banks to arrange for extending relief measures as per RBI Master Directions on extending relief measures by banks in areas affected by natural calamities.

**AGENDA17: DISCUSSION ON POLICY INITIATIVES OF THE CENTRAL/STATE**

**GOVERNMENT/ RBI (INDUSTRIAL POLICY, MSME POLICY, AGRICULTURE POLICY, START-UP POLICY ETC.), AND EXPECTED INVOLVEMENT OF BANKS**

**17.1: Promotion of Organic Farming:**

Reserve Bank of India with their vide letter no FIDD.CO.LBS.NO.10/02.01.001/2020-21 dated 06.07.2020 along with Annex I and Annex II regarding the subject “**A Monograph on the State of Sikkim’s Organic Transformation”** (Provided in annexure 17, page no.319 to 372).

In the letter, the Hon’ble Prime Minister of India declared the State of Sikkim as the first Organic State of India in January 2016. In this connection concerned RO of RBI has documented a Monograph detailing the journey of transformation of the State as an Organic State, in consultation with the Sikkim Organic Mission. A synopsis of the Monograph is given at **Annex I**, detailed version of the Monograph is available at **Annex II.** In order to promote organic Farming in the state of Karnataka the monograph on the State of Sikkim's Organic Transformation, it was use as **guiding document** and may also to constitute Sub-Committee(s), as may be required.

SLBC requested department of agriculture to provide a brief details or initiative taken by Government of Karnataka as detailed in following annexure on promotion of **Organic farming in the state of Karnataka** with relevant data with our letter vide no 172/2020/SLBC dated 09.07.2020 under cc to the Chairman and Convenor, SLBC-Sub-Committee on Agriculture & Allied activities, Bengaluru and the Department of agriculture GoK with vide ref No DDA(OFC)/Status of Organic-Karnataka/2020-21 dt 10.07.2020(is provided in annexure 17A, page no.373 to 379).

**ANNEXURE**

**Organic Farming in the State of Karnataka**

1. Progress made and present status.
2. Roadmap, if any, for future / further development with action points.
3. Legislative/Policy / Administrative/Regulatory initiatives and interventions already

taken up so far and those proposed.

1. Organizations / departments created for / assigned with the task of creating awareness, capacity building, providing all required logistics & linkages including certifications and incentives offered by GoK in this regard.
2. Exploring the possibility of using the “Monograph on State of Sikkim Organic Transformation”, designed by RBI:RO, Gangtok, as a guiding document with required customization to suite the state specific needs & requirements.
3. Matter to be flagged to and discussed in the next meeting of Sub Committee on Agriculture & allied activities.
4. Henceforth, to incorporate it as a regular agenda item in SLBC meetings.

The matter was flagged to the SLBC Sub-Committee on Agriculture & allied activities as a regular agenda in Sub-Committee meeting (Convenor is Canara Bank Circle office, Bengaluru).

**In this background** the SLBC Sub Committee meeting on agriculture & allied activities with main agenda for **promoting organic farming in the state of Karnataka was held on 19.08.2020.** The proceedings is provided in the annexure 17 B page no.380 to 383).

**Important outcome/Suggestions of the meeting:**

* Incentivizing, interest Subventions, Subsidy to the farmers implementing organic farming, providing best logistics, and Certification for Organic produce/Farmers and convergence of all GoK and GOI schemes for supporting of organic Farmers.
* Convergence of all related schemes of GoK and GOI and encouraging of FPOs for taken up organic farming.
* Frequent brainstorming sessions are to be conducted apart from the usual meetings involving experts to capture new ideas which can make actual change. Development of State specific programs and formulate achievable objectives for short periods to attain the larger goal of making 100% organic farming in Karnataka State.
* A brain storming session on the organic farming by DDA Organic Cell and also advised Organic cell to suggest Hobli or Taluk/District for Promoting of Organic Farming. Modification of template of Sikkim model if required and we can select talukas and hoblis that can be converted to 100% organic is done by Organic Cell-GoK.
* SLBC Karnataka and NABARD to give joint suggestion on logistics & Convergence.

**Suggestion of SLBC to GoK:**

* On pilot basis, department to identify one Hobli or Taluk or District for organic farming and resolution has to be passed by the government for Organic mission/transformation of organic in that identified area.
* Road map for transformation of identified area (Formulation of Strategies, Implementation of strategies and Full transformation/complete organic certification).
* Awareness has to be created on organic farming among the farmers and also in the direction of reduced utilization of chemicals among the farmers and customer.
* Initiative has to be taken by government on creation of infrastructure, green house/cold storage/ware house/ certification/quality testing etc.
* Agricultural, Horticultural input and livestock etc., regulations in connection with utilization of organic products.
* Agriculture, Horticulture, animal husbandry department has to check the transformation of identified area with benchmark parameters.
* Farmers cluster formation-- the creation of clusters would leverage creation of the farmer producer Organizations (FPOs), capacity building, infrastructure development, and training and facilitate certification services.
* Identify organic farmer/procurers/organic produce and certification.
* Market creation along with obtention of required national and international certifications.

**Suggestion of SLBC to NABARD:**

* On pilot basis we request NABARD to adopt some area for encouraging organic farming by executing all their NABARD schemes in the adopted area.
* Beneficiaries of special refinance scheme by NABARD for watershed and wadi project areas can also be encouraged to adopt organic farming.

**Interventions for encouragement to organic farmers/organic produce by**

**GoK:**

* Certification to organic farmers/organic produce or organic produce merchants.
* Providing interest subventions to organic farmers/organic produce or organic produce merchants for crop loans/KCC, agricultural term loans, business loans.
* Launching schemes with interest subsidy/capital subsidy to organic farmers/organic produce or organic produce merchants for crop loans/KCC, agricultural term loans, business loans.
* Incentive schemes to organic farmers/organic produce or organic produce merchants for crop loans/KCC, agricultural term loans, business loans.
* Creating good market to organic farmers/organic produce or organic produce merchants.
* Separate scale of finance and Unit cost is to be designed for organic farming (KCC/Agri Term Loans) and organic produce merchants/MSME loans.

**Banks:**

Based on the encouragement from the government, the banks can start lending (crop loans/KCC, agricultural term loans, business loans) and encouraging the agriculturist and merchants who are into organic farming as per certification/guidelines.

**17.2. Operationalization of Central Sector Schemes of financing facility under Agriculture Infrastructure Fund:**

Hon’ble Finance Minister announced on 15.05.2020 Rs 1 lakh crore Agri infrastructure Fund for farm-gate infrastructure for farmers, out of which Karnataka has been allotted Rs.4523 Crores. Accordingly DAC&FW has formulated the Central Sector scheme to mobilize a medium - long term debt financing facility for investment in viable projects relating to post-harvest management infrastructure and community farming assets through incentives and financing support.

The Scheme guidelines have been issued by Department of Agriculture, Cooperation and Farmers’ welfare, Ministry of Agriculture and Farmers’ Welfare, Government of India and been communicated to CMDs/CEOs/MDs of all the Scheduled commercial banks, Chairman, NABARD head office, Mumbai and CGM, Department of Banking Regulation, Reserve Bank of India vide ref: FI-3/16/2020-AC dated 24.07.2020. We, therefore, request all the bankers to implement the scheme in right spirit.

The scheme guidelines for central sector scheme of Financing facility under “Agriculture Infrastructure Fund” is enclosed as annexure17C (page no.384 to 403)

**17.2a Financing Facilities under Agriculture infrastructure fund and Karnataka farmer producer Organizations (FPOs)**

Government of Karnataka has issued circular vide no.44/2020 dated 25.08.2020 regarding formation of State level Monitoring committee and District level monitoring committee for implementation of Financing Facilities under Agriculture infrastructure fund for FPOs in Karnataka state and also detail FPO guideline issued by watershed development department, GoK provided in annexure 17D, page no.404 to 439)

**17.2b Enhancing Credit Delivery to Agriculture Logistics and Supply Chain Ecosystem.**

RBI vide their lr no FIDD.CO.FSD.79/05.06.001/2020-21 DT. 03.08.20 (furnished in annexure no 17D1, page no.440 to 441) has advised all Banks to augment lending for the farm gate and supply chain infrastructure, including development of warehouses, silos, storage and grading units, cold chains, logistic facilities, supply chain services etc and also against WRs/NWRs/e-NWRs keeping in view the expected bumper harvest, by suitably converging with Agri Infrastructure Fund.

**Guidance note for financing FPOs by banks:**

Guidance note of NABARD to be used by banks for formulating the scheme to finance 10,000 FPOs to over next 5 years as announce in union budget 2019-20 LOANS up to 5 crore per borrowing entity subject to conditions are classified as PSC scheme which is applicable to RRBs also.

Member banks requested to be guided by RBI letter FIDD .CO.FSD.247/05.10.003/2020-21 dated 28.09.2020 (Detail provided in annexure no.17D2, page no.442 to 443)

**17.3: Doubling of farmers Income by 2022-Developing Benchmarks for monitoring at different Fora:**

Guidelines received from NABARD (Benchmark parameters and Growth parameters) for reviewing doubling of farmers income have been furnished in annexures 17E (page no.444 to 448) and communicated to all member banks and LDMs for periodical review and necessary interventions.

**17.4: NABARD: Special Refinance Scheme in NABARD Watershed and Wadi Project Areas:**

We forwarded NABARD letter with reference no ND(KA).DOR-LT/634/SRF-wadi & watershed/2019-20 dated 27.07.2020 and NABARD circular no.199/DoR-69/2020 dated 20.07.2020 regarding “**Special Refinance Scheme in NABARD Watershed and Wadi Project Areas”** (The letter and circular are provided in the annexure 17 F, page no.449 to 456). The letter reference no NB.DoR/411/PPS-9/2020-2021 Cir No.244/DoR-76/2020 dated 15.09.2020 **NABARD-"Special Refinance scheme in NABARD Watershed & wadi project areas - Ultimate lending rate** is provided in annexure 17F1, page no.457.

**Eligible activities:** All priority sector loans extended by banks in watershed development project areas and agro-processing activities for tribal farmers in wadi project areas will be eligible for refinance. An indicate list along with operational guidelines is provided in annexure 17 F, page no.449 to 456).

Banks are also advised to inform their district/circle heads to approach NABARD DDMs in the respective districts for preparing banking plans under the scheme.

SLBC request banks to make use of the available facility of concessional refinance under the scheme and to provide progress under the programme.

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

Finance Department, GoK letter No. FD 30 CAM 2020 dated 05.08.2020 and Department of Financial Service - GOI with ref. No. 6/5/2018-FI (Vol II) (C-300382286) dated 13.07.2020 regarding State Level Implementation Committee (SLIC) for the Targeted Financial Inclusion Intervention Programme (TFIIP) within the overall **Aspirational Districts Programme**(ADP) of NITI Aayog. SLBC has submitted the particulars of nomination received from major banks of the committee to FD-GoK (The details provided in the annexure 17 G, page no.458 to 461) and started reporting of progress to FD-GOK.

**17.6: Modification to Government Order** no. SWD 158 SLT/2016 Bengaluru dated 12.07.2016 on encouraging schedule caste and schedule tribe to establish Micro, Small and Medium scale industrial/ service units with extending interest subsidy scheme on term/working capital loans.

The Government has issued corrigendum vide No SWD 172 SLP 2019 dated 09.06.2020 to the GO.no. SWD 158 SLT/2016 Bengaluru dated 12.07.2016 terms and condition of the scheme at serial number 1(C) i.e “**The Entrepreneurs are eligible to avail the benefit only once” is deleted.** The letter and GO is provided in the annexure 17H, page no.462 to 467)

All member banks are requested to take note of the modification.

**17.7: Discontinuation of Dairy Entrepreneurship Development Scheme (DEDS) for the financial year 2020-21.**

Government of India, Ministry of Fisheries, Animal Husbandry and dairying has been issued circular vide no M-01027/1/2018-CDD dt 27.08.2020 to NABARD regarding discontinuation of Dairy Entrepreneurship Development Scheme (DEDS) for the financial year 2020-21 is provided in annexure 17-I page no.468.

All member banks are requested to be guided by the communication on discontinuation.

**17.8: PSL - Master Directions – Priority Sector Lending (PSL) – Targets and Classification**.

Reserve Bank of India has issued Master Directions on Priority Sector Lending – Targets-Classifications vide Circular no. FIDD.CO. plan. BC.5/04.09.01/2020-21 dated 04.09.2020. All members banks are requested to be guided by the circular with respect to Priority sector lending – Revised Targets and Classification.

MSME - Government of India, Ministry of Micro, Small and Medium Enterprises has given new definition of MSME vide GO CG-DL-E-01062020-219680 dated 01.06.2020, details furnished in annexure 17J, page no.469 to 471.

**SLBC, therefore, requests all member banks to take note of the revised classification and targets of PSL & MSME advances and arrange for accurate reporting.**

**17.9: Reporting of frauds to Cyber Crime Department:**

A meeting of state controlling heads of banks along with Reserve Bank of India officials was convened under the Chairmanship of Director General & Inspector General of Police, Karnataka State on 10.09.2020 at Vidhana Soudha to discuss banking frauds wherein bankers were advised to immediately report frauds to cybercrime department to enable them to take immediate measures to avoid further damage for the concerned accounts. Copy of the minutes of the meeting furnished as annexure no.17K, page no.472 to 493.

**AGENDA 18: DISCUSSION ON IMPROVING RURAL INFRASTRUCTURE / CREDIT**

**ABSORPTION CAPACITY**

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

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

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

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

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

All member banks and departments are requested to examine and explore possibilities of increasing productive credit on the above line.

**AGENDA19: RUDSETI/RSETIs**

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

There are 33 RUDSETI(7)/ RSETI(26)s functioning in the state of Karnataka.

* Due to lockdown ordered by the Government, the RSETIs in Karnataka did not conduct any training programmes up to 15-07-2020. Hence the progress for the quarter ending June 2020 is NIL.
* Due to spread of pandemic Corona virus Covid-19, many RSETIs were not permitted to commence training programmes during the months of July and August 2020. However, some of the banks advised RSETIs to restart the training programmes which were discontinued during March 2020. Again, **the restrictions on RSETIs for trainings imposed till 21-09-2020**.
* The progress achieved by some of the RSETIs during the period from 15-07-2020 till 15-09-2020 is provided in annexure 19 (page no.494)
* Ministry of Home Affairs, GOI has issued order vide no. 40-3/2020-DM-I (A) dated 29.08.2020 for reopening of Skill or Entrepreneurship Training Institutes with effect from 21.09.2020 and the same has been communicated to all Directors of RSETIs by NACER on 10.09.2020 along with SOP issued by MoHFW on reopening of Training Institutes. A copy of same is given in the annexure 19A (page no.495 to 510).
* About Rs.28.87 crore is pending to be released by SRLM to various RSETIs in Karnataka and the pendency is continuing since many years. The details are provided in annexure page no 19B, page no.511 to 512).

**AGENDA 20 : Digitalization of Land records**

**20.1: Bhoomi Bank integration system: Remitting of Mutation Charges under Bhoomi Bank integration to the Secretary to Government, Bhoomi and UPOR PD account.**

The SLBC vide their vide reference no.186/2020/2944/SLBC/275 dated 24.07.2020 (Provided in annexure 20, page no.513 to 515) requested the concern bank to remit mutation charges to GoK.

A meeting was also called with concern banks by Bhoomi Monitoring Cell on 03.08.2020 regarding “**Remitting of Mutation Charges under Bhoomi Bank integration to the Secretary to Government, Bhoomi and UPOR PD account”** the meeting proceeding is also provided in annexure 20A with page no.516 to 517.

All member banks are requested to clear the dues immediately.

**20.2: Bhoomi- Bank Integration System – Issues:**

SLBC vide letter no 0116/2020/2944/SLBC/F-275 dated 28.04.2020 sent letter to Bhoomi Monitoring Cell on the captioned subject along with issues of banks like 1.KVGB, 2.Bank of Baroda, 3 UBI (e-Corporation Bank), 4.HDFC Bank and Central bank of India (The letter and issues is provided in annexure 20B with page no.518 to 521). The HDFC bank still reports that the technical issues and reflecting of charge on RTC is not resolved.

GoK is requested to arrange for solving Bhoomi-Bank integration issues expeditiously.

**AGENDA 21 : ISSUES REMAINING UNRESOLVED AT DCC/DLRC MEETING**

SLBC, at quarterly intervals, calls for the details of unresolved items evolved during DCC/DLRC meetings, if any, from LDCMs for its review under this Agenda. However, this time, no LDCMs have submitted the information under this agenda.

**AGENDA 22: SUB COMMITTEE MEETINGS HELD DURING THE REVIEW PERIOD:**

**The details of SLBC Sub-committee meetings conducted during the Review period**

**are as under:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sl.** | **Name of the sub Committee** | **Convenor Bank** | **Date of meeting** | **Minutes (Annexure No.)** |
| 1 | MSME | Union Bank of India  (e-Corporation Bank) | 22.06.2020,  18.09.2020 | Anx.22, page no.522 to 525 |
| 2 | SHG-Linkage | Canara Bank  (e-Syndicate Bank) | 16.09.2020 | Annx.22A2, page no.526 to 531 |
| 3 | Recovery & Rehabilitation and Govt. Sponsored Schemes | State Bank of India | 05.10.2020  (Proposed) | -- |
| 4 | Agri& Allied activities | Canara Bank | 19.08.2020 | Anx17B.,page no.532 to 534 |
| 5 | Retail Loans | Bank of Baroda  (e Vijaya Bank) | 18.09.2020  (postponed) | -- |
| 6 | Review of functioning of RSETI & RUDSETI | State Director for RESETIs, Karnataka | 16.09.2020 | Anx.22A ,page no.535 to 543 |
| 7 | Deepening of Digital payments | State Bank of India | 05.08.2020 | Anx.22A1,page no.544 to 547 |
| 8 | Financial Inclusion | Union Bank of India | 19.09.2020 | Yet to submit |

Sub-committee meetings to be convened by convenor bank got delayed because of prevailing COVID 19.

Organic forming matter was flagged to the SLBC Sub-Committee on Agriculture & allied activities as a regular agenda in Sub-Committee meeting (Convenor is Canara Bank Circle office, Bengaluru). The SLBC Sub Committee meeting on agriculture & allied activities with main agenda for promoting organic farming in the state of Karnataka was held on 19.08.2020 the details are provided in Agenda no 17.1.

**22.1: Constituting of SLBC Sub-Committee on Financial Inclusion.**

**Back Ground:**

NABARD vide their letter ref 1849-2292-23/2020-21 dated 04.08.2020 stated that the FI Sub Committee of SLBC and LDM would be required to certify the area having no or intermittent connectivity (NABARD letter provided in the Annexure 22 B, page no.548 to 550).

In this background, SLBC constituted a Sub-committee under the chairmanship of General Manager, SLBC and Co-Chairmanship of NABARD with the following major PSB Banks, Grameena Bank, Private banks and State Co-op Bank, who have good exposure in the State along with Secretary-RDPR, GoK as a special invitee and Union Bank of India as Convenor as Union bank of India is the 3rd largest among PSBs in Karnataka and has only one convenorship.

|  |  |  |
| --- | --- | --- |
| **1** | **General Manager &Convenor-SLBC** | **Chairman** |
| **2** | **General Manager, NABARD** | **Co-chairman** |
| 3 | General Manager, Reserve Bank of India | Member |
| 4 | General Manager, Canara Bank, CO, Bengaluru | Member |
| 5 | General Manager, State Bank of India | Member |
| 6 | General Manager, Bank of Baroda | Member |
| 7 | General Manager, Karnataka Grameena Bank | Member |
| 8 | General Manager, Karnataka Bank | Member |
| 9 | State Head, ICICI Bank | Member |
| 10 | General Manager,Karnataka State Co Op. Apex Bank | Member |
| 11 | Secretary, RDPR, GOK | Special Invitee |
| **12** | **General Manager, Union Bank of India** | **Convenor** |

**Focus area/Agenda -** Financial Inclusion, PMJDY, Micro Credit (OD to PMJDY accounts), Micro Insurance (PMJJBY, PMSBY & APY), FIF, Banking outlet and BC issues including connectivity, Aadhaar related issues including AECs issues and FLCs, Etc.

SLBC letter ref no 209/SLBC/2020-21/FI dated 02.09.2020 addressed to Union Bank of India regarding SLBC sub-committee on FI is provided in annexure 22B1 page no.551.

SLBC vide letter ref No 212/SLBC/2020/F-300 dated 15.09.2020 has informed all Banks to advise their Regional Offices to obtain certification from respective LDMs and submit the claims to SLBC Sub-Committee on Financial Inclusion for further certification& forwarding to NABARD for reimbursement.in annexure 22B2 page no.552.

**AGENDA 23 : OTHER ISSUES:**

**Agenda 23.1: ECLGS for Existing MSME borrowers during COVID-19 situation:**

Govt. of India had announced additional funding of up to 3 lakh crore at a concessional rate of maximum 9.25% through Emergency Credit Line Guarantee Scheme (ECLGS) for the MSME sector hit hard by the Corona Virus crises. Under this scheme, 100% guarantee coverage will be provided by NCGTC for additional funding of up to 3 lakh crore to eligible MSME and interested MUDRA loan borrowers. This scheme is valid up to 31.10.2020.

NCGTC, Government of India has issued two modified circulars under ECLGS scheme;

1. Circular vide no.2754/NCGTC/ECLGS on 19.08.2020 regarding “loan to individual capacity-Rectifications/corrections required “and same has been circulated to all MLIs by NCGTC.

2. Circular vide No.2718/NCGTC/ECLGS ON 04.08.2020 regarding Modification of ECLGS operational guidelines and same has been circulated by NCGTC all MLIs.

In our state member Banks have sanctioned around 189174 accounts with amount of 7517.64 Cr under ECLGS scheme against total eligible amount of 10505.59 as on 28.09.2020 detail bank-wise information furnished in annexure 23 (page no.553).

All member banks are requested to complete the financing of left over eligible accounts, if any immediately.

**Agenda 23.2: Aatma Nirbhar Bharat Abhiyan: PMSVANdhi scheme:**

Hon’ble Prime Minister, in his fifth address to the nation since the great lockdown announced 'Aatma Nirbhar Bharat Abhiyan' package of Rs.20 lakh crore to revive the Indian economy, to help farmers, migrant workers, etc. and to revive the industrial sector. This package is 10% of India's total GDP.

**PMSVANidhi Scheme operational w.e.f 01.07.2020 after notification of the rules and scheme under Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act 2014 by GoK,** is a Central Sector Scheme i.e fully funded by Ministry of Housing and Urban affairs with the following objectives. The scheme will help formalize the street vendors with above objectives and will open up new opportunities to this sector to move up the economic ladder.

1. To facilitate working capital loan up to Rs.10000/-
2. To incentivize regular repayment; and
3. To reward digital transactions.

Details of objectives, eligibility of states, eligibility criteria of beneficiaries, identification of beneficiaries, credit product details, rate of interest, interest subsidy, lending institution details, credit guarantee, selection mechanism, steering and monitoring committees are furnished in main scheme guideline and same has been already been circulated.

Further Government of Karnataka was issued government order vide no.144/2020 dated 15.06.2020 for implementation of PMSVANidhi scheme in Karnataka state and same has been circulated by SLBC to all member banks and lead district Managers, Annexure 23A and page No.554 to 559.

For effective implementation of PM SVANidhi scheme in Karnataka state, SLBC has conducted review meeting on Progress under PM SVANidhi scheme with major banks coordinators, 30 Lead district managers along with NULM technical group on 04.09.2020 and 22.09.2020 by video conference, In the meeting SLBC discussed about main issues pertaining to PM SVANidhi portal and other scheme related issues and also district wise and bank wise progress was reviewed by DGM, SLBC.

Government of India, Ministry of Housing and Urban Affair, NULM Division has written letter vide no.K-12017(33)/2/2020-UPA-1 dated 16.07.2020 to the principal Secretaries/ Secretaries of Urban Development /local self-government/Municipal Corporations of all States/UTs regarding PM-SVANidhi revising the rate of stamp duty from loan applicants wherein they also requested all state government to review the existing rate of stamp duty for loans under PMSVANidhi and either waive it completely or restrict it to an amount not exceeding an aggregate value of Rs.50/- both for Loan agreement and hypothecation agreement executed either separately or combined. Further, it is requested that DP note, if undertaken, be stamped withRs.1/- revenue stamp, detail given annexure 23B Page no.560. Therefore, SLBC requests GoK to arrange for resolving portal related issues and stamp duty exemption.

Suggestions for effective implementation of the scheme furnished in annexure no.23B1, page no.561.

All member banks to sensitize the branches and monitor scheme for better progress.

Bank wise & district wise pending/sanction/disbursements of applications under the scheme is furnished in annexure 23C, page no. 562 to 568.

As on 23.09.2020 member banks have sanctioned 11864 accounts under PMSVANidhi scheme and Karnataka secured 8th place in India. Information is provided in annexure 23C1, page no.569.

In this I would like to inform the house that different banks have taken different initiatives like – while SBI automated entire processing, sanctioning and disbursal to online thro’ FIMM vertical, BOB & FB have developed apps for better sanctions and disbursements and Canara bank is ready with the service to generate UPI id to the beneficiaries without smartphone.

**23.3 New Centrally Sponsored Scheme for “PM - Formalization of Micro food Processing Enterprises (PM FME)”**

The Government of India on 29.06.2020 launched the PM Formalization of Micro Food Processing Enterprises (PM FME) scheme as a part of Prime Minister's 'Atmanirbhar Bharat Abhiyan'.

Launched by Union Minister for Food Processing Industries Harsimrat Kaur Badal, the scheme would generate a total investment of Rs 35,000 crore and generate 9 lakh skilled and semi-skilled employment in India.

The scheme will be implemented for five years until 2024-25. It will generate investment of Rs 35,000 core, generate 900,000 jobs and help 800,000 units.

Under the PM FME scheme, micro enterprises will get 35% subsidy on project cost, with a ceiling of Rs 10 lakh. The beneficiaries will have to contribute at least 10% of the project cost while the balance will come from loans. Nearly 200,000 micro enterprises will get credit-linked subsidy support.

There are about 2.5 million unregistered, unorganized food processing enterprises which account for 74% employment in the food processing sector. Two-thirds of them are in rural areas and 80% are family owned, said the minister.

Under the scheme, meant for the unorganized sector, the expenditure will be shared by the central and state governments in the ratio of 60:40.

KAPPEC is the nodal agency for implementation of the scheme with ODOP – ONE DISTRICT ONE PRODUCT” – approach In Karnataka State

Government of Karnataka has issued order vide No.Agri-AFT/49/2020,Bengaluru, dated: 07.08.2020 and guidelines for implementation of the scheme with ODOP concept. GoK formed State level and District level committee and also provided detail guidelines issued by GOI, Ministry of food processing and industry, Annexure 23D, page no.570 to 614.

**23.4: Disposal of Educational loans under RGLS:**

The Department of Collegiate Education, Bengaluru and Bank of Baroda (e-Vijaya Bank) are requested to finalize MOU soon and thereafter targets can be communicated for financing of these RGLS loans.

BOB finalized draft of MoU and sent draft to Department of Collegiate Education, Bengaluru. Department of Collegiate Education, is requested to finalize the MOU, and send target under the scheme, so that the member banks can start lending under the scheme. (BoB letter and the Department letter is provided in annexure 23E, page no.615 to 617).

Department is requested to conduct meeting with BOB and complete the process.

* 1. **PRAGATI meeting**

The Pro-Active Governance and Timely Implementation meeting held on January 22, 2020 to review the implementation of social security schemes such as PMJJBY & PMSBY, vide RBI letter dated April 7, 2020. In view of the concerns shared therein, SLBC was requested to advise banks to take the following action to increase the coverage and spreading awareness among targeted beneficiaries under PMJJBY and PMSBY.

1. Conduct periodic publicity campaigns with special focus on rural areas at regular intervals for creating awareness about benefits of Social Security Schemes.
2. Streamline procedures and leverage technology to speed up claim settlement process and improve outreach.
3. Ensure that no eligible Jan Dhan account holders are left out from availing the risk covers under PMJJBY and PMSBY.
4. Enroll beneficiaries of other government scheme like PM Ujjawala, PM Kisan, MGNREGA etc. under the scheme.
5. Use SMS and other digital platforms to make account holders aware of the schemes and also seek auto debit mandate from them.
6. Leverage marketing Channels like Banking Correspondents(BCs) for ensuring Pan India coverage and innovate ways be devised for motivating the field level functionaries for enhancing enrolments, especially under PMJJBY and PMSBY and
7. Fix target of fresh enrolment under PMJJBY and PMSBY to enhance enrolment till March 31, 2021.

SLBC has shared the status report for PRAGATI meeting with RBI, FIDD, Bengaluru vide letter Ref. 188/SLBC/ANK/PRAGATI dated 29.07.2020.

DFS vide letter reference no.F.No.M-18012/1/2020-Mission Jansuraksha dt. 04.08.2020 requested PSBs including sponsored RRBs & 14 Major Pvt Banks that for the Policy Year 2020-21, all banks should endeavor to enroll at least 10% and 25% of the eligible PMJDY account holders under PMJJBY and PMSBY respectively. Copy of the DFS letter is enclosed as annexure 12E1 (Page No. 167 to 169)

All Banks are requested to arrange for wide coverage under PMJJBY and PMSBY.

GOK is requested to extend necessary support in identifying and organizing such uncovered eligible persons to bank branches.

* 1. **Digital District: Expanding and Deepening of Digital Payments Ecosystem in Raichur District:**

While assessing the progress of digitization in Raichur District as on August 2020, it can be seen that the total number of operative Savings bank accounts were 1789070, out of which Debit/Rupay cards coverage was observed as 1047589 (58.55%). Net banking coverage was found to be 14.79% and Mobile Banking/UPI/USSD coverage stood at 39.82%. The total number of operative Savings Bank accounts covered with at least one of the facilities namely Debit/Rupay cards, net banking, mobile banking, UPI, USSD were 1377136 and percentage of such accounts to total operative accounts was 76.97%. The total number of operative Current Accounts were 28620, out of which number of net banking to CAs was 11008, percentage of Net banking coverage was 38.46%. The number of POS/QR availed by Current Accounts was 2825 and percentage coverage of POS/QR was 9.87%. Total No. of Operative Current Accounts covered with at least one of digital modes of payments - Net Banking, POS, QR etc. are 13414, percentage of such Accounts Out of total Operative Current Accounts are 46.87%. POS/QR issued to shopkeepers (other than CA holders) was 2060, POS/QR issued to Government/Public Service providers was 50 and the same issued to others was 191, the total POS/QR other than Current Account holders figured at 2301. With regard to Financial Literacy, camps on Digital Financial Literacy were recorded at 532 and participants were about 17283. Review of digital data in Raichur district as on 31.08.2020 is provided in annexure 23F, page no.618.

SLBC requests all the member Banks in the Raichur district to give more emphasis to digitization so that we can achieve 100% digitization of Raichur district by October 2020.

The SLBC sub-committee meeting on deepening of digital payment was held on 05.08.2020 under the convenership of SBI is provided in annexure 22A1,page no.544 to 547.

**23.7: Allotment of enrollment targets under Atal Pension Yojana (APY) to Banks / Department of Posts for FY 2020-21:**

SLBC has forwarded the **target per branch** for FY 2020-21 which is received from PFRDA

**Target under APY for FY 2020-21 under each category:**

|  |  |
| --- | --- |
| **Category** | **Target per branch FY 2020-21** |
| Major Banks (ALL PSBs and 4 Private banks i.e. **ICICI Bank, AXIS Bank, HDFC Bank, IDBI Bank**) | 60 accounts |
| Regional Rural Banks | 60 accounts |
| Private Banks (Other) | 30 accounts |

SLBC has advised all Banks including LDMs to review the performance under APY in their districts.

We request all the State Coordinators of banks & LDMs to actively participate in “Citizen’s Choice FY 2020-21 campaign” from 01.09.2020 to 31.10.2020 as advised by PFRDA to achieve the set targets. Details provided as annexure 12F2, page no.172 to 173.

**23.8: Performance of Karnataka Farmers resource Centre, Bagalkot (KFRC):**

**The performance of KFRC will be reviewed in KFRC meeting of trustees.**

30th BoT was conducted by KFRC Bagalakote through ZOOM-video conference on 16.09.2020 @ 11.00am; all trustees were present in the VC meeting.

**Main Discussion:**

Convenor SLBC advised to ED, KFRC to maintain account ledger at office level and tallying the account maintained at bank with ledger maintained at office level and also advised to him conduct EDP type training programmes including farmers training and advised to withdraw the case filed against BDTA, Bagalkot at Dharwad High Court as per legal opinion given by HO, Canara Bank.

**AGENDA 24. PM Awards:**

Am happy to inform that out of the 12 districts pan India selected for PM awards for “Inclusive Development through credit flow to priority sector” two were from the state and in the present fourth round Belgaum is in the contest among four districts pan India.

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