

ಕರ್ನಾಟಕ ರಾಜ್ಯಮಟ್ಟದ ಬ್ಯಾಂಕರುಗಳ ಸಮಿತಿ
ಕರ್ನಾಟಕ ರಾಜ್ಯ ಸ್ತರೀಯ ಬೆಂಕರ್ಸ್ ಸಮಿತಿ
STATE LEVEL BANKERS' COMMITTEE, KARNATAKA

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AGENDA NOTES OF 159th SLBC MEETING

ದಿನಾಂಕ : ಮಂಗಳವಾರ, ೧೫ನೇ ನವೆಂಬರ್, ೨೦೨೨
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DATE : Tuesday, 15th November, 2022
TIME : 03.00 PM

ವಿಡಿಯೋ ಸಂವಾದದ ಮೂಲಕ
Through video conference

ಸಂಯೋಜಕರು ಸಂಯೋಜಕ Convenor



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

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

**AGENDA NOTES FOR 159th SLBC MEETING &
BANKING STATISTICS AS ON 30th SEPTEMBER 2022**

As per the revised RBI guidelines on Lead Bank Scheme, SLBC had convened the Steering Committee Meeting on 04.11.2022 at 4th Floor, conference hall, Canara Bank, HO Annexe, Gandhi Nagar, Bengaluru under the Chairmanship of Sri. A Muralikrishna, Convenor SLBC Karnataka & General Manager, Canara Bank. All the suggestions given in the steering committee have been incorporated in the agenda notes.

AGENDA 1: Confirmation of the minutes of 158th SLBC meeting held on 15.09.2022.

The minutes of 158th SLBC meeting held on 15.09.2022 were circulated among all the member banks and Govt. departments. As no suggestions received, the house may kindly confirm the minutes.

AGENDA 2: FOLLOW-UP ACTION ON THE DECISIONS TAKEN DURING THE PREVIOUS SLBC MEETING

Sl.	Action Points	Action Taken
01.	<p>Standardized system for direct flow of data from CBS of the member banks.</p> <p>During 158th SLBC, GM-SLBC informed the House that all Banks have entered the data for June quarter 2022.</p> <p>However, despite repeated reminders Punjab & Sind Bank, IndusInd Bank, City Union Bank and Federal Bank have delayed in uploading the data.</p>	<p>All Banks have updated the data for September quarter 2022.</p> <p>All Banks were requested to follow the timelines as per RBI guidelines and update the data in SLBC Revamp Portal after due comparison with the data for previous quarter/year before 10th of first month of next quarter.</p> <p>However, despite repeated reminders Bank of Maharashtra, Fincare Small Finance Bank and Axis Bank have delayed in uploading the data.</p>
02	<p>Integration of FRUITS (Farmer Registration & Unified beneficiary Information System) with Banks</p>	<p>Kotak Mahindra bank, Bandhan bank, Equitas and IndusInd Bank have not on boarded to the FRUITS portal so far despite SLBC follow up.</p>
04	<p>CB RSETI Ballari allotment of 1.11-acre land to The Director, CBRSETI, Ballari on 33 years lease basis.</p> <p>CS, GoK had directed to address a suitable letter to the DC of Ballari district.</p>	<p>Complied. Letter was addressed on 23.09.2022 under signature of Additional Chief Secretary Development Commissioner, GoK.</p>
05	<p>Enrolment of workers of "Construction Worker's Welfare Board" under PMJJBY, PMSBY and APY schemes.</p> <p>CS, GoK had directed to address a suitable letter to the ACS of Construction Worker's Welfare Board.</p>	<p>Complied. Letter was addressed under the signatures of Chief Secretary, GoK.</p>

06	DCC/DLRC meeting of Ramanagara District and Chamarajanagar district are not being conducted as per timelines. CS, GoK advised to address a letter to DCs of these districts under her signature.	Complied. Letter was addressed under the signatures of Chief Secretary, GoK. DCC/DLRC of these districts were conducted.
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AGENDA 3: REVIEW OF CREDIT DISBURSEMENT BY BANKS:

3.1. Achievement under ACP and Priority Sector Lending

The following table shows a comparative analysis of disbursement up to the quarter ending Sept 2021 of FY 2021-22 vis-à-vis disbursements up to the quarter ending Sept 2022 of FY 2022-2023:

(Rs in crores)

Sector	Annual Target 2021-22	September 2021		Annual Target 2022-23	September 2022	
		Achievement	% Ach.		Achievement	% Ach.
Short Term Loan	71923	29401	40.88	81896	34277	41.85
Agri Term Loan	54069	21865	40.44	58977	36203	61.38
Total Agri Loans	125992	51266	40.69	140873	70480	50.03
MSME	111827	34447	30.80	129604	61980	47.82
Export Credit	3628	284	7.83	3967	570	14.37
Education	5970	554	9.28	6316	441	6.98
Housing	30165	3545	11.75	32794	2764	8.43
Social Infrastructure	2201	156	7.09	2549	1061	41.62
Renewable Energy	3111	143	4.60	3565	46	1.29
Other PSA	9498	3043	32.04	10555	4118	39.01
Total PSA	292392	93438	31.96	330223	141460	42.84
Total Non-Priority	203980	166537	81.64	259483	210825	81.25
Total Credit	496372	259975	52.38	589706	352285	59.74

Bank wise & sector wise level of disbursement/achievement in PSA and NPSA under Annual Action Plan during Sept Quarter 2022 is provided in Annexure 1 (Page no. 39-50). District wise & sector wise level of disbursement / achievement in PSA and NPSA under Annual Action Plan during Sept Quarter 2022 is provided in Annexure 2 (Page no 51-56).

Bank wise level of outstanding for PSA and NPSA as on 30.09.2022 Annexure 3 (Page no. 57-66)

3.2 Major Bank wise performance/Achievement of ACP as on September 2022:

(Rs in crores)

Sl No.	Name of Bank	Priority Sector			Total Credit		
		Target	Achievement	% Achieve	Target	Achievement	% Achieve
PSBs							
1	Canara Bank	50935	16144	31.70	78542	37385	47.60
2	State Bank of India	47752	14461	30.28	83118	31477	37.87
3	Union Bank of India	23610	11329	47.98	42557	22113	51.96

4	Bank of Baroda	21551	7978	37.02	40797	20936	51.32
5	Bank of India	7366	3299	44.79	14414	6993	48.52
6	Bank of Maharashtra	3185	286	8.98	6484	1439	22.19
7	Central Bank of India	5177	429	8.29	10654	907	8.51
8	Indian Bank	7232	2880	39.82	17057	4326	25.36
9	Indian Overseas Bank	7590	731	9.63	14079	1167	8.29
10	Punjab National Bank	8277	366	4.42	19695	2929	14.87
11	Punjab and Synd Bank	654	21	3.21	1576	60	3.81
12	UCO Bank	2168	2024	93.36	5858	3008	51.35
Major Pvt Banks							
1	Karnataka Bank Ltd	14292	2808	19.65	23409	5861	25.04
2	HDFC Bank Ltd	9867	9462	95.90	28211	43678	154.83
3	Axis Bank Ltd	9371	2653	28.31	21431	8129	37.93
4	ICICI Bank Ltd	9586	8263	86.20	21944	37816	172.33
5	Kotak Mahindra Bank	6410	6567	102.45	12581	12903	102.56
RRBs							
1	KGB	18024	6186	34.32	21582	6913	32.03
2	KVGB	11736	4687	39.94	13406	5240	39.09
Co-Op Sector							
1	K.S.Coop Apex Bank Ltd.	17943	13742	76.59	19697	19197	97.46

SLBC request all the member banks for special initiative to achieve priority sector targets on regular basis especially in case of agriculture, MSME, Housing, and Education sectors.

AGENDA 4: PMAY-U (Housing for All 2022)

Rajiv Gandhi Housing Corporation Limited:

RGHCL has been nominated as State Level Nodal Agency for implementation of PMAY (U).

Affordable Housing in Partnership (AHP)

Under AHP vertical, 347453 houses are being constructed under 400 projects across the State through RGHCL, ULBs and KSDB.

Regular meetings are being held at various level ACS & Development Commissioner, Secretary, DoH, MD, RGHCL & SLBC etc, to review the progress and sort out the bottlenecks.

Based on banker's request, GoK has relaxed all the conditions in order to ease sanctioning loans.

Progress achieved in bank linkages under AHP vertical of PMAY (U) as on 30.09.2022 is as follows:

(Numbers)

Bank Linkage Details								
Implementing Agency	No of Houses	Beneficiary	Application Submitted to Banks		Loan Sanctioned		Loan Disbursed	
		Selection	As on June Qtr	As on Sep Qtr	As on June Qtr	As on Sep Qtr	As on June Qtr	As on Sep Qtr
KSDB Total	180253	180253	14845	18656	2600	2999	187	215
ULBs (Ongoing)	35002	33558	9778	10317	3545	3545	493	493
ULBs (tendered / yet to tender)	22967	11956	3195	2656	53	53	0	0
CM 1 lakh (Ongoing)	52735	41605	258	414	5	28	0	0
Grand Total	290957	267372	28076	32043	6203	6625	680	708

SLBC has simplified housing loan application format and minimized list of documents to be submitted to banks. SLBC requests member banks to conduct camps during November and December to clear the pending applications.

Bankwise and Districtwise progress under PMAY-AHP provided in the Annexure 4 (Page No.67-77).

AGENDA-5: Review of Districts having CD ratio less than 60% and working of Special sub-committees of DCC (SCC)

Districts with CD Ratio of less than 60% as on Sept 2022:

(Rs in Cr)

Sl No.	Name of the district	As on June 2022			As on Sept 2022		
		Deposits	Advances	CD Ratio %	Deposits	Advances	CD Ratio %
01	Uttara Kannada	18851.94	8008.16	42.48	19108.92	8269.66	43.28
02	Udupi	32440.75	14807.20	45.64	33285.74	15954.80	47.93

- The CD Ratio of the state as a whole as on 30.09.2022 is **72.70%**.
- DCs and LDMs are requested to continue necessary corrective measures and continuously monitor the progress in their special subcommittee and DCC meetings.
- LDMs of these districts have informed that District Level Sub-committee is formed to review progress under CD ratio.
- Bank wise CD ratio as on Sept 2022 is provided in Annexure 5 (Page no. 78).
- District wise CD ratio as on Sept 2022 is provided in Annexure 6 (Page no. 79).

AGENDA-6 Issues - Reimbursement of pending BPL claims of training expenditures:

As on 30.09.2022, about Rs. 35.09 crore is pending to be released by SRLM to various RSETIs in Karnataka and the pendency is continuing for many years. RSETI wise details are provided in Annexure 7 page No.80.

During every SLBC meeting this issue is being discussed. During the 158th SLBC meeting, NRLM. GoK had assured to clear Rs.20.00 crores within 15 days, which is yet to be received. SLBC once again requests NRLM to clear the long pending dues to banks.

AGENDA-7: Review of financial inclusion initiatives, expansion of banking network and Financial Literacy

As per Jan Dhan Darshak app and FI Plan portal, there are no unbanked villages without any Branch, BC, or IPPB within a radius of 5 KM as on date.

SLBC has received list of 122 villages from State Govt, all 122 villages are covered by BC location and there are 18 villages out of 122 villages are covered by brick and mortar branches within a radius of 5 km.

In this regard, SLBC has conducted a meeting with Indian Postal Payment Bank under chairmanship of Chief Secretary GoK, to cover remaining 104 villages by brick and mortar branches of IPPB.

IPPB has confirmed that already 52 villages out of 104 villages are within a radius of 5 km of banking service point of IPPB.

AGENDA 8: Financial inclusion Initiatives:

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

As on Sep 2022	Total No. of BC locations	No. of active BCs available	No. of inactive BC locations	BCs certified by IIBF
	15110	14353	757	7616

*As on 30.09.2022, the No. of inactive BCs are **757**. This is due to high number of inactive BCs of following banks:

Bank Name	Inactive BC as on 30.06.2022	Inactive BC as on 30.09.2022
State Bank of India	469	186
Canara Bank	226	154
IDFC First Bank	206	206
HDFC Bank	83	54
Bank of Baroda	79	61
Bank of India	49	50

Bank wise details of BCs as on 30.09.2022 is furnished as an Annexure 8 (page No.81)

8.2: Financial literacy initiatives by banks.

The status of FLCs as on 30.09.2022 as reported by sponsor Banks is as under:

	Financial Literacy Centers (FLCs)				
	As on 30.06.2022		As on 30.09.2022		Total FLCs
	Functional	Non Functional	Functional	Non Functional	
Total	131	46	134	43	177

SBI, UBI, Canara Bank, BOB, BOI & KGB Banks are requested to expedite appointment of 25,13, 1, 2, 1 & 1 FL Counsellors respectively and make these FLCs functional. SLBC requests member banks to ensure that all FLCs are functional by 31.12.2022.

Activities of FLCs enclosed in annexure 9 (page No.82) :

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

The progress of KPIs by Banks at aspirational districts, reported by respective LDMs as on 30.09.2022 are as under:

(A) Raichur District:

Particulars	Key Performance Indicators (KPIs) as on 30.09.2022			
	Bank Accounts (CASA) per lakh population	PMJJBY enrollments per lakh population	PMSBY enrollments per lakh population	APY enrollments per lakh population
Target set by DFS	129755	9772	30303	2886
Achievement till Jun 2022	131750	7686	15253	3447
% Achievement	101.54	78.65	50.33	119.44
Gap to target (per lakh population)	Achieved	2086	15050	Achieved

(B) Yadgir District:

Particulars	Key Performance Indicators (KPIs) as on 30.09.2022			
	Bank Accounts (CASA) per lakh population	PMJJBY enrollments per lakh population	PMSBY enrollments per lakh population	APY enrollments per lakh population
Target set by DFS	129755	9772	30303	2886
Achievement till Jun 2022	219504	14247	33541	4297
% Achievement	169.17%	145.79%	110.69%	148.89%
Gap to target (per lakh population)	Achieved	Achieved	Achieved	Achieved

All member Banks and LDMs (Raichur and Yadgir District) need to improve in PMJJBY and PMSBY and achieve the allotted target set by DFS by taking special initiative like conducting of camps, by creating awareness and by involving BCs, FLCs, RSETIs in special mode. It is suggested that VCs to be conducted at district level involving LDMs, State Govt. officials and RBI officials. SLBC request LDM Raichur to ensure that the district saturates by 31.12.2022.

Bank wise KPI data provided in Annexure 10 (Page No.83-84) and defaulting banks are requested to achieve the allotted target.

AGENDA 9: KCC

9.1 KCC Loans – Disbursements & Outstanding:

[cards in lakhs]

[Amount in crores]

KCC Target for 2022-23		Disbursement of KCC from April 2022 to Sept 2022		KCC Outstanding as on 30 th Sept 2022	
No. of Cards	Amount	No. of Cards	Amount	No. of Cards	Amount
53.83	81895.71	24.50	22813.31	45.32	54955.16

SLBC has written a letter to Agriculture Department, GoK to provide details of farmers who are holding land less than ½ acre and above ½ acre and up to 1 acre. SLBC requests Agriculture department to provide the same to ascertain the saturation level.

Bank wise data on KCC loan as on Sep. 2022 is provided in the Annexure 11 (Page no.85)

9.2 KCC-Dairy and other Animal Husbandry activities:

In order to ensure maximum coverage of farmers engaged in Animal Husbandry and Fisheries under KCC, **DFS: GOI has launched a special saturation drive in the form of weekly “District Camps” w.e.f. 8th November 2021 and the scheme is extended till 15th March 2023.** All the bankers are requested to take note.

Progress under the campaign as on 30.09.2022 is given here below.

Parameters	Total no. of application received	Total no. of application accepted	Toto no. of application sanctioned	Total no. of application rejected
KCC-AH	104290	103287	48314	51791
KCC-FISH	23665	22560	9535	9230
Total	127955	125847	57849	61021

The following are the main reasons for rejection of KCC AH & Fisheries applications:

- Applicant in default NPA.
- Already having KCC loan with other Bank and/or availed loan for same purpose from other Banks.
- Milk Payment is not coming to the concerned branch.
- Applicants unwilling to avail the loan.
- Members of the family applying for KCC against same milch animal
- Application for vending

- Not having permission/ licence for pond/reservoir
- Farmers do not have vessel

District wise progress under this campaign data is given in Annexure No 12. page. 86-87
All the banks have shown excellent performance under KCC ah & fishery campaign launched by DFS.

KCC AH O/S as on 30.09.2022 amounts to 504.53 Crores for 144487 accounts.

KCC Fisheries O/S as on 30.09.2022 amounts to 155.60 Crores for 8288 accounts.

KCC Dairy loans sanctioned during the quarter and outstanding as on 30.09.2022 is provided in the Annexure 13 (page no.88) .

Performance under KCC-Fisheries as on Sept 2022 is provided in Annexure 14 (page no.89)

9.3. Animal Husbandry Infrastructure Development Fund and FPOs:

Animal Husbandry Infrastructure Development Fund and the Central Sector Scheme [CSS] for formation and Promotion of 10000 FPOs. Both are having Credit Guarantee component to encourage the banks to lend for these two activities. Credit guarantee relations are being managed by NABSanrakshan Trustee Pvt Ltd, a wholly owned subsidiary of NABARD. SLBC requests NABARD to allocate targets to the banks for the year 2022-23. Target for FY 2022-23 Karnataka State is 130 FPOs (100 sponsored by GoK and 30 by NABARD). RBI suggested to handhold FPOs, SLBC, and NABARD in coordination with RBI to impart training to them.

Member banks are requested to give more impetus to these schemes.

AGENDA 10: RBI agenda (inputs from Reserve Bank of India)

Inputs from Reserve Bank of India

I. Financial Inclusion & Financial Literacy

a. Appointment of Financial Literacy Centres (FLCs)

(i) Out of the 177 Financial Literacy Centres (FLCs), 151 FLCs are active as on October 31, 2022 leading to vacancies of 26 FLCs (15% of the available positions). Controlling offices of the following banks are advised to appoint FLCs in vacant positions urgently:

S.No.	Concerned Bank	Vacancies in FLCs
1	State Bank of India (SBI)	8
2	Union Bank of India (UBI)	13
3	Canara Bank	1
4	Bank of Baroda (BoB)	2
5	Bank of India (BoI)	1
6	Karnataka Gramin Bank (KaGB)	1
	Total	26

(ii) The banks are also advised to initiate measures to reduce attrition amongst the FLCs, if any.

Special Camps and Target-Specific camps

As per RBI Circular on FLC Policy Review dated March 02, 2017, controlling offices of banks in the state are advised to ensure that minimum number of special camps (2 per month per FLC) and target-specific camps (5 per month per FLC) are conducted by their sponsored FLCs without fail.

There was a shortfall of 112 special FL camps by 37 active FLCs under 8 banks. In terms of target specific camps, there were shortfall of 49 camps by 9 active FLCs under 5 banks. The details are provided as under:

Special Camps (2 camps per FLC per month) (06 camps per FLC in a quarter)			
Sl. No.	Bank Name	No. of FLCs	Shortfall in Special camps
1	Canara Bank	7	33
2	SBI	18	44
3	KGB	2	6
4	KVGB	1	4
5	BoI	1	6
6	Karnataka Bank Ltd	1	2
7	BoB	1	3
8	UBI	6	14
	Total	37	112
Target Specific Camps (5 camps per FLC per month) (15 camps per FLC in a quarter)			
Sl. No.	Bank Name	No. of FLCs	Shortfall in Target Specific Camps
1	Canara Bank	1	7
2	SBI	-	-
3	KGB	1	7
4	KVGB	-	-
5	BoI	1	15
6	Karnataka Bank Ltd	-	-

7	BoB	5	16
8	UBI	1	4
	Total	9	49

The above banks are advised to ensure compliance with RBI norms.

As per instructions of RBI, Central Office, banks are advised to assess number of beneficiaries linked with formal financial systems as a result of these financial awareness programs/camps and put in place a mechanism to set targets and monitor their performance against the same.

The banks may also share problems faced in holding requisite number of camps and converting these literacy camps into effective financial inclusions. SLBC may collate the above information from all the banks.

b. Business Correspondents (BCs) - Inactive BC locations and Reconciliation of Data

(i) **A comprehensive Financial Inclusion Index (FI-Index)** has been developed by RBI in consultation with the respective sectoral regulators and the Government to capture the extent of financial inclusion across the country. A unique feature of the Index is the Quality parameter which captures the quality aspect of financial inclusion as reflected by financial literacy, consumer protection, and inequalities and deficiencies in services. Quality parameter captures 'Inactive Business Correspondents (BCs) Percentage (%)'.

The latest update on BC data received by SLBC for September 30, 2022 indicated 757 BCs (6.65%) were inactive out of total 11381 BCs. The bank-wise details are as per Annexure-1.

However, taking into account the data received from FIDD CO, no. of BCs in Karnataka as on March 31, 2022 are much higher at 84715. The bank-wise details are given in Annexure-2. The huge difference in the number of BCs is observed in respect of BOB, ICICI Bank, IndusInd Bank, RBL Bank and Yes Bank. These five banks are advised to explain the reasons for not updating correct data in the SLBC portal, though advised by SLBC to report consistent data in September/October 2022.

Besides, the banks in the state are advised to ensure that inactive BC locations are operationalized immediately, else furnish difficulties faced in operationalization and indicate the timelines for ensuring activation, under advice to SLBC. Further, banks are also advised to report the correct and consistent data (including all types of Business Correspondent models) of BC outlets across all portals (RBI and SLBC).

(ii) Three districts in Karnataka have been identified by FIDD CO in the bottom 10 percentile of the FI-index. Details of these districts are given below:

- (a) Ballari – Usage criteria: per capita number and amount of savings and credit accounts.
- (b) Udupi and Uttara Kannada – Quality criteria: per capita number of brick-and-mortar branches, fixed BCs and ATMs.

LDMs of these districts are advised to design data formats and to monitor these parameters in DCC meetings with a view to enhance these numbers. They may form sub-committees to identify bottlenecks.

SLBC is requested to put in place a system to collect the above data for all districts in the state and monitor the above periodically. An agenda item maybe added on this aspect in the ensuing meeting.

II. Lead Bank Scheme

a. Meetings under Lead Bank Scheme (LBS)

(i) As per para 2.2.2 and Annex V of the Master Circular, it needs to be ensured that meetings are held at quarterly intervals. It has been observed that both District Consultative

Committee (DCC) and/or District Level Review Committee (DLRC) meetings of previous quarters of the following 4 districts have not been held till November 03, 2022 -

S.No.	District	Lead Bank	Concerned Quarter
1	Kalaburagi	State Bank of India (SBI)	For Quarter ended June 2022
2	Mysuru	State Bank of India (SBI)	For Quarter ended June 2022
3	Raichur	Union Bank of India (UBI)	For Quarter ended June 2022
4	Bengaluru Urban	Canara Bank	For Quarter ended June 2022

(ii) It has been observed that both DCC and DLRC meetings in two districts for Quarter ended June 2022 (Kolar and Gadag) were held beyond the prescribed timeline of 90 days from end of concerned quarter. Controlling Heads of banks concerned are advised to ensure conduct of the meetings within the stipulated timelines.

(iii) Further, banks and line departments of state government are advised to ensure representation of appropriate authority in the DCC/DLRC meetings. Absentee banks for meetings held for review of June quarter (as per data received so far) are as under:

District	Date of the meeting (Review of Quarter ended June 2022)	Name of the absentee banks
Channarayana DCC/ DLRC	September 26, 2022	Axis bank, Tamilnadu Mercantile Bank, KSFC, Bank of Maharashtra, Kotak Mahindra, Equitas, Suryoday, Jana SFB, ESAF, Fincare SFB
Kalaburagi DCC/ DLRC	July 07, 2022	IOB, BoM, KASCARD, Jana SFB, Axis, KSFC, DCB and ICICI
Vijayapura DCC/ DLRC	September 06, 2022	Lakshmi Vilas Bank, Federal Bank and Fincare SFB
Chikkaballapura BLBC	August 17, 2022	Canara bank, SBI, Karnataka Gramin Bank, BoB, PNB, BoM, Kotak Mahindra, Axis, DCB, HDFC, KSFC and Ujjivan

The number of line departments absent in the DCC / DLRC meetings, have not been shared in the proceedings. The LDMS may indicate the same in the minutes in future.

(iv) Lead banks are also advised to forward the meeting invitations sent to public representatives henceforth with notices forwarded to FIDD, Bengaluru for DLRC meetings.

b. Meetings of SLBC Sub-Committees

As per para 2.3.2 of RBI Master Circular on Lead Bank Scheme dated April 01, 2022 the meetings of various sub-committees of SLBC are expected to be held at quarterly intervals. It is evident from the following information that meetings of the some of the sub-committees are not being held as per prescribed timelines:

S.No.	Sub Committee	Convenor Bank	QE March 2022	QE June 2022
1	MSME	Union Bank of India	Not Conducted	Not conducted

- (i) The above Convenor bank had assured to hold the meeting in last week of October 2022 but still failed to do so. UBI may explain the reason for not holding the meeting for two consecutive quarters.
- (ii) As observed during the 25th SLBC Sub Committee meeting on Recovery, Rehabilitation and other measures held on October 12, 2022, only three major banks submitted the requisite data but not district-wise, so the meeting could not be

conducted. All the banks are advised to ensure submission of data as per requisite format so that meaningful discussions can be held.

c. Expanding and Deepening of Digital Payment Ecosystem

Haveri and Yadgir districts have been identified for deepening of digital payment ecosystem in the state. The progress as on August 31, 2022 is as under-

Digital Coverage in Haveri (Nodal Bank: Bank of Baroda)		
	As on March 31, 2022	As on Aug 31, 2022
% of Eligible Savings Accounts	85.10%	87.76%
% of Eligible Current/Business Accounts	65.93%	70.93%
Digital Coverage in Yadgir (Nodal Bank: State Bank of India)		
	As on March 31, 2022	As on Aug 31, 2022
% of Eligible Savings Accounts	77.14%	82.9%*
% of Eligible Current/Business Accounts	71.64%	78.6%*

*Ignoring Yes Bank and DBS Bank's data (Incorrect data submitted by Yes Bank and no data submitted by DBS (LVB))

It is observed that the digitization in current/business accounts lag behind that of saving accounts in both the districts. Some of the other observations from the data are as follows:

- (i) In case of Haveri, Canara Bank (70.11%), ICICI Bank (84.42%), Indian Overseas Bank (86.52%), KVG Bank (85.92%), DBS (Lakshmi Vilas Bank) (74.60%), Punjab National Bank (86.25%), and Union Bank of India (87.48%) need to enhance their digitization performance of savings accounts as they are below the district performance of 87.76%.
Bank of India (68.03%), Central Bank of India (59.32%), Federal Bank (55.10%), IDBI Bank (22.97%), Karnataka Bank (65.67%), KVGB Bank (65.61%), DBS (Lakshmi Vilas Bank) (53.64%), SBI (70.18%), Tamilnad Mercantile Bank (60.00%) and Union Bank of India (42.68%) need to enhance their digitization performance of current/business accounts as they are below the district performance of 70.93%.
- (ii) In case of Yadgir, Bank of India (79.4%), Canara Bank (51.5%), Indian Bank (78%), Karnataka Bank (76.6%), Karnataka Grameena Bank (66.9%), KBS Bank (45.5%), Suryodaya SF Bank (14%) and Tamil Nadu Mercantile Bank (54.7%), need to enhance their digitization performance of savings accounts as they are below the district performance.
Canara Bank (52.1%), Karnataka Grameena Bank (64.9%), Punjab National Bank (38.8%) and Suryodaya SF Bank (28.6%) need to enhance their digitization performance of current/business accounts as they are below the district performance.
Controlling offices of concerned banks are advised to take urgent necessary action to achieve 100% digitization of savings and current accounts in both the districts, including ensuring data accuracy and consistency.
- (iii) Emphasis should be laid by all banks to enhance digitization process through UPI123PAY for feature phone users on a large scale. Banks are advised to update us on the progress made in adoption of UPI123PAY in Karnataka. SLBC may monitor progress in this area.

d. Data Upload by Banks in SLBC Revamped Portal

As per para 2.3.4 of RBI Master Circular on Lead Bank Scheme dated April 01, 2022, banks are required to upload the quarterly data in SLBC revamped portal within 15 days from the end of concerned quarter. SLBC vide their e-mail dated October 20, 2022 had mentioned that the following banks (as on October 20, 2022) had not completed the process of data upload:

Bank of Maharashtra	DCB Bank
Indian Overseas bank	Yes Bank
Axis bank	Equitas Bank
Karur Vysya bank	Fincare Bank
DBS Bank	Airtel Payment bank

Member banks are advised to ensure timely upload of data in SLBC portal within 15 days from the end of reporting quarter. SLBC may explore feasibility of opening the portal for a limited period window allowing defaulting members to upload the previous quarter data so that the updated data is reflected in the ensuing SLBC meeting. SLBC may write to ED of the respective banks to ensure the same.

SLBC is also requested to send the local board/MIS data in time. The data pertaining to September 2022 quarter was submitted with a delay of 19-20 days.

e. Annual Credit Plan (ACP) - Rationalization of Targets – study

(Amount in ₹ crore)

Description	FY 2021-22	FY 2022-23	Growth
Priority Sector Target	292392	330223.15	12.94%
Ach.	218856		
Ach. %	74.85%		
Non-Priority Sector Target	203980	259482.47	27.21%
Ach.	362755		
Ach. %	177.84%		

- The Annual Credit Plan (ACP) for FY 2022-23 mentions a target for priority sector of ₹ 3,30,223.15 crore at a growth rate of 12.94% over the target for FY 2021-22 of ₹ 2,92,392 crore (which is an increase of ₹ 37,831.15 crore).
- In 158th meeting of SLBC, it was decided that to fixing excess targets for priority sector and lower targets in non-priority sector in forthcoming year's ACP, RBI has requested NABARD and SLBC to involve RBI, Bengaluru for finalization of PLP and ACP for financial year 2023-24.
- The ACP target for Non-priority sector for FY 2022-23 is ₹ 2,59,383.47 crore against the achievement of ₹ 3,62,755 Crore for FY 2021-22 (ACP achievement % was 177.84%). This anomaly of excessive target for priority sector and lower target for non-priority sector may be rationalized from the forthcoming years. It is understood that process for arriving at next financial year targets has already begun. DDMs of each district may hold informal discussions with LDOs on district PLP before placing the same before DCC for approval.
- For achieving the goal of developed nation by Indian Independence Centenary, we need to increase the credit to deposit ratio. For that, banks need to focus on CD Ratio without losing sight of technically and financially viable loan proposals. CD Ratio of Karnataka touched 72.70% as on September 30, 2022. CD Ratio of following four districts is less than 72% - Uttara Kannada (43.28%), Udupi (47.93%), Dakshin Kannada (61.14%) and Bengaluru Urban (68.19%). All the stakeholders are requested to work towards enhancing the CD ratio in the state so that state of Karnataka achieves national average of 79%.

f. Study on Decline in Priority Sector Annual Credit Plan (ACP) Achievement:

- (i) As per directions of Chief Secretary, GoK in 158th meeting of SLBC, SLBC has since conducted the study analysing the achievements with 3 previous years data.
- (ii) Major observations of the study submitted by SLBC were - one of the causes for the decline in ACP achievement was the pandemic and lockdown. Job losses impacted loan availment during the crisis period. Lack of proper assessment of the real potential of the districts also became causes for non-achievement of ACP target by the banks. In Ballari district, in 2021-22, reduced growth was due to district bifurcation and reduction in bank branches. In Bidar, the ACP achievement was lower at 57% in 2022 against 74.73% in 2021 in priority sector because of heavy rain and crop loss at sowing stage.
- (iii) As per action points of last SLBC meeting, this study needs to be vetted by a committee of officials of NABARD and RBI. The vetting of the study by RBI and NABARD officials is currently in progress.

g. Nationwide fishery KCC campaign

As per Ministry of Fisheries, GOI notification dated September 12, 2022, Nationwide Fishery KCC campaign has resumed from September 15, 2022 and will last until March 15, 2023. Banks may accordingly take note of the instructions and focus on increased sanctions of viable proposals under the scheme. Towards digitalization of rural finance in India, a pilot for KCC lending developed by RBI Innovation Hub is now under implementation in select districts of Madhya Pradesh and Tamil Nadu with Union Bank of India and Federal Bank, respectively. Following the success of the pilot project all stakeholders are requested to take the lead in adopting the same for Karnataka.

III. Opening of Banking Outlets in Unbanked Villages:-

- (i) **Opening of Banking Outlet in Hunshyal Village, Devara Hipparagi Taluk, Vijayapura district**

We had received a representation dated June 27, 2022 from Shri. Ramesh. C. Jigajinagi, Hon'ble Member of Parliament (MP), Vijayapura Constituency along with villagers of Hunshyal Village, Devara Hipparagi Taluk requesting opening of Banking outlet in the village since villagers are not able to access the nearest banking outlet due to the presence of an intervening waterbody. As advised in DCC meeting of the district held on June 23, 2022 and September 06, 2022, controlling office of State Bank of India was advised to take appropriate action at the earliest, so as to resolve the grievance of the villagers. SBI may please update the present status.

- (ii) **Opening of Banking Outlet in Indlavadi Gram Panchayat, Anekal Taluk, Bengaluru Urban District**

We would like to have an update on opening of branch in Indlavadi Gram Panchayat, Anekal Taluk by Canara Bank.

IV. Providing services of Brick & Mortar Branch or IPPB branch within a radius of 5km to all villages in the state

- (i) 4 villages (Huvinahole, Hirehalli, Yarjanti and Salgar Basanthpur) of Karnataka have been identified for opening of Brick-and-Mortar Branches as per e-mail dated July 18, 2022 from Department of Financial Services sent to SLBC, Karnataka.
- (ii) The Office of the Additional Chief Secretary to Government, Finance Department, Government of Karnataka has vide letter no.FD-CAM/179/2022 dated September 28, 2022 advised SLBC to explore the possibility of opening India Post Payment Bank branch or extension counter of Cooperative banks/

their branch in villages having population above 3000 or in the 122 identified villages.

- (iii) SLBC was requested vide e-mail dated October 18, 2022 to provide the list of active Business Correspondents outlet in the identified 122 villages. SLBC may update the action taken on both of the above letters/emails.

V. Currency Management:

- (i) With a view to provide a platform to all the stakeholders viz. RBI, Police Department and banks, it was discussed in the 28th meeting of State Level Security Committee (SLSC) meeting held on July 07, 2022, 157th meeting of SLBC held on May 30, 2022 and 158th meeting of SLBC held on September 15, 2022 that SLBC may constitute a sub-committee on Security to discuss various aspects of security related to banks maintaining Currency Chests, Currency storage and movement. SLBC may update the action taken.

VI. Sharing of information with competent authorities

- (i) It is observed that the under mentioned banks are delaying or not responding despite 2 to 3 summons issued under section 3 (1a) read with Section 6(2) of Karnataka Protection of Interest of Depositors in Financial Establishments Act:

HDFC, IDFC first bank, Development Credit bank, Indian Overseas bank, Indian bank, Canara Bank, Karnataka Gramin bank, Punjab National Bank, Union bank of India, Yes bank and Bank of Baroda.

These banks are advised to share the latest position within November 15, 2022.

- (ii) Besides, all member banks are advised to provide an updated and correct list of Nodal Officers for communication with competent authorities by November 15, 2022.

VII. Posting of non-Kannada speaking branch managers

Lead Bank, Chamarajanagar vide e-mail dated October 20, 2022 has informed that farmers/ villagers face communication gap due to the posting of non-Kannada speaking branch managers. The lead bank Chamarajanagar had requested RBI, FIDD Bengaluru to take up the issue in SLBC. All the banks may offer their comments on feasibility of posting a Kannada speaking Deputy Branch manager wherever branch manager is non-Kannada speaking.

VIII. Enhancing State infrastructure and improving ease of doing business for micro and small entrepreneurs and small and marginal farmers.

- (i) As per instructions of RBI CO, handholding of the FPOs (i.e., collectives of farmers) is required to increase their bargaining power. In this regard, SLBC, DCC and NABARD are requested to design training programs involving RBI.
- (ii) A model farming plot in every village should be established which can be adopted by farmers leading to enhancement of need based KCC/ doubling of income of farmers.
- (iii) More than 25% of the national population is outside the ambit of the formal financial system. In order to provide bouquet of financial services such as insurance, pension, etc., to this excluded segment of the society, measures should be taken for formalization of rural finance. Awareness should be spread about the difference in interest rates and facilities for doorstep banking maybe provided. SLBC is requested to identify district-wise population outside the formal sector and put in place a mechanism to set formalization targets and monitor their performance against the same.

- (iv) As per instructions of RBI CO, SLBC is requested to identify credit deficient districts in Karnataka and ascertain utilisation of RIDF and other development funds in these districts. Causes of low utilisation should be identified and measures should be put in place to improve the utilization for development of these districts. Considering the unavailability of warehouses in villages, the efficient usage of RIDF or Agri Infrastructure fund may be explored. Progress in this regard and identified ground level constraints, if any, should be brought to the notice of SLBC.

IX. Micro, Small and Medium Enterprises

a. Onboarding of Government & Corporate Buyers on TReDS platform

- (i) RBI had issued guidelines for setting up and operating of TReDS, an institutional mechanism for facilitating financing of trade receivables from Corporates and CPSEs. Government of Goa, Government of Kerala and Government of Tamil Nadu have taken steps to on-board on TReDS platform and issued notifications/operational guidelines in this regard. Finance Department, GoK vide their letter dated February 25 and September 28, 2022 had apprised that 6 entities did not deal with MSMEs while 7 entities out of the 27 state government undertakings and 73 boards/corporations functioning in the state had since been registered on TReDS platform. Government of Karnataka may consider measures similar to that taken by Tamil Nadu, Kerala and Goa governments to augment onboarding of remaining public sector undertakings, departments and corporations onto the TReDS platform and its effective utilization to enhance working capital availability for MSMEs. Government of Tamil Nadu notifications in this regard have been forwarded to State Government on October 27, 2022.
- (ii) Government of India (GOI) has mandated all companies registered under Companies Act, 2013 with a turnover of more than ₹ 500 Cr to onboard on TReDS. More than 3000 out of 4714 eligible companies identified by Ministry of Corporate Affairs (MCA) are yet to be on-boarded on the portal. ROC, Bengaluru vide their email dated September 12, 2022 had furnished a list of 408 companies under their jurisdiction in Karnataka with Turnover greater than ₹500 cr. But as per telephonic conversation, ROC Bengaluru office informed that they are NOT maintaining data on the status of registration of these companies on TReDS platforms. SBI, Karnataka Bank, Canara Bank, Union Bank of India, BoB, BoM, IoB, Indusind Bank, YES Bank, HDFC Bank have since been advised to provide data on onboarding of these companies on TReDS portal vide email / letter dated October 17, 2022. These banks are advised to update us with the action taken.

b. Issues observed during MSME Cluster visit

Visits to MSME clusters were made in seven districts (Belgavi, Chikkaballapura, Shivamoga, Bidar, Gadag, Uttara Kannada and Vijayapura) in Karnataka. The issues observed therein were as under:

- (i) Challenges in credit and flow of government benefits:
Some units were not sanctioned collateral free loans up to Rs 10 lakh. Sericulture department appeared to be financing the reeling phase upon mortgage of self-owned properties (Chikkaballapura), cluster required more bank credit since it has huge potential to support the MSME sector (Shivamoga), banks neither provides adequate loan to MSEs nor grant any loan without collaterals even if the cost of small units is less than ₹5 lakh (Gadag)
- (ii) Lack of infrastructure and challenges in operationalization:
Units are not having proper knowledge for branding and proper marketing is absent (Gadag), For upgradation of units, a big crusher costing Rs 90 lakh is required (Belagavi), unit not yet operationalized due to the escalation of

machinery prices beyond the sanctioned prices (Uttara Kannada), erratic electricity is detrimental to the machinery in the unit and hampered the productivity (Vijayapura).

Respective banks and line departments of state government may look into the problems highlighted to RBI LDOs during their visits to MSME clusters.

c. Adoption of MSE clusters

As per RBI Master Direction on Lending to Micro, Small & Medium Enterprises (MSME) Sector, each lead bank of a district is advised to adopt at least one MSE cluster. SLBC is requested to identify MSE clusters in each of the districts and allocate them among banks.

d. Special initiatives for MSME sector

- (i) State Government may consider simplification of registration process in UDYAM portal. A single window for all government approvals, one page application etc. maybe introduced so that beneficiaries can avail all benefits with ease.
- (ii) State Government may consider exemption of micro unit set up (Small oil press units, poultry farms, non-polluting units etc.) from restrictions like conversion of agriculture land, panchayat approvals etc. to bring more beneficiaries into the ambit of the formal financial system.

X. Market Intelligence Issues

(i) Pendency of Cybercrime Incident Reports (CIRs)

Please refer to discussions in 158th SLBC meeting where in list of Cybercrime Incident Reports (CIRs) pending with the banks for necessary action/furnishing information to Office of Deputy Commissioner of Police (DCP), Command Centre, Bengaluru was discussed. The above list was received vide their e-mail dated July 15, 2022. The concerned banks are advised to update the action taken on the pending CIRs and confirm updation of the contact details of the nodal officers to Police Authorities at ccps_cir@ksp.gov.in.

(ii) Unauthorised lending in FINTECH

Banks are advised to report any unauthorized digital lending extended by unscrupulous lenders/ mushrooming of unauthorised fintech noticed by them. SLBC may advise all LDMs to discuss this aspect in DCC meetings and submit feedback for discussion in SLBC.

(iii) International money transfer fraud due to phishing emails

Densol Engineering Pvt. Ltd is in the business of supplying and installing air conditioning related products and imports components from overseas suppliers based out USA and China. In one of their transactions, while importing cooling tower part from Baltimore Air Coil company (BAC), China factory, advance payment was made in the month of February 2022. Material was manufactured and was ready for dispatch in the month of June 2022. In order to receive the material from the factory, balance payment was to be remitted to BAC company. Densol Engineering Pvt. Ltd started receiving emails for payment of balance amount and was also informed that their supplier has changed the bankers and the balance amount should be remitted to the new account. The Proforma invoice on the BAC letter head was received by Densol Engineering Pvt. Ltd. Believing it as a genuine communication from the BAC company, the complainant had remitted an amount of ₹ 1,25,90,533/- on July 02,

2022 to an account in Signature Bank, New York. Thereafter, a complaint was registered at Cybercrime, Bengaluru and Basaveshwaranagar Police Station on July 12, 2022 and the complaint was forwarded to RBI, MI Unit, Bengaluru on July 13, 2022. As the account of the complainant was in ICICI Bank, Vijayanagar branch, MI Unit, Bengaluru advised ICICI Bank to take immediate action regarding the case and Swift recall requests were initiated. Due to the prompt action of RBI and ICICI Bank, the complainant was able to recover the lost amount.

Modus Operandi:

- 1) The fraudster hacks the victim company email ID and checks for the communications between the business partners.
- 2) A bank account is opened in the same name of the beneficiary account in a different bank.
- 3) Emails are sent by the hacked email/fake email ID to the victim stating that the banker has changed account details, and further remittances has to be made to the new account.
- 4) Once the amount is credited to the new account, the fraudster transfers the money to multiple accounts from where it is withdrawn.

Action: Awareness programs may be conducted to educate regarding such type of frauds to banking customers who transfer funds overseas.

(iv) Complaints received through SACHET portal

MI Unit, Bengaluru has received complaints against the following online digital lending apps through SACHET portal.

1. Small Credit 2. Rupee Key 3. Shiny Rupee 4. Amla Credit
5. Swift loan 6. Blink loan 7. Happy Borrow 8. Wonder loan
9. Full Coin 10. Fortress loan

The nature of complaints are as follows:

- 1) Charging exorbitant processing charge/interest rate.
- 2) Disbursement of loan without consent. (Complainant checks for the eligibility by installing the app but has not applied for the loan)
- 3) Harassment by calling the persons in the contact list and verbal abuse.

The complaints are forwarded to AIGP, Crime, Bengaluru for necessary action.

The list of Digital Lending Apps was forwarded to Government of Karnataka (GoK) to be taken up with Ministry of Electronics and Information Technology (MeitY), GoI, for removal of such apps from Google Play store. GoK has informed us that the matter was taken up with the Secretary, MeitY, who in turn forwarded the letter from GoK to Department of Financial Services (DFS), GoI, for appropriate action vide letter dated September 29, 2022. State Government may provide update, if any, in this regard.

Annexure-1: Bank Wise BC data as on September 30, 2022:

Sl.	NAME OF THE BANK	BCs			
		Active BCs	Inactive BCs	Total BCs	Out of Total BCs, no. of BCs certified by IIBF
1	CANARA BANK	1436	154	1590	1210
2	STATE BANK OF INDIA	2289	186	2475	2030

3	UNION BANK OF INDIA	384	17	401	371
4	BANK OF BARODA	1222	61	1283	674
5	BANK OF INDIA	71	50	121	5
6	BANK OF MAHRASHTRA	23	0	23	0
7	CENTRAL BANK OF INDIA	43	0	43	0
8	INDIAN BANK	47	3	50	18
9	INDIAN OVERSEAS BANK	86	0	86	27
10	PUNJAB NATIONAL BANK	46	1	47	0
11	PUNJAB AND SIND BANK	0	0	0	0
12	UCO BANK	17	0	17	0
13	IDBI BANK	0	0	0	0
14	KARNATAKA BANK	84	0	84	62
15	KOTAK MAHINDRA BANK	0	0	0	0
16	CSB BANK LIMITED	0	0	0	4
17	CITY UNION BANK	0	0	0	0
18	DHANLAXMI BANK	0	0	0	0
19	FEDERAL BANK	0	0	0	0
20	J & K BANK	0	0	0	0
21	KARUR VYASYA BANK	14	0	14	12
22	DBS BANK INDIA (E-LVB)	0	0	0	0
23	RBL BANK	0	0	0	0
24	SOUTH INDIAN BANK	0	0	0	0
25	TAMILNAD MERCANTILE BANK	0	0	0	0
26	INDUSIND BANK	0	0	0	0
27	HDFC BANK	412	54	466	297
28	AXIS BANK	1907	0	1907	830
29	ICICI BANK	18	0	18	0
30	YES BANK	0	0	0	0
31	BANDHAN BANK	0	0	0	0
32	DCB BANK	0	0	0	0
33	IDFC FIRST BANK	445	206	651	181
34	KBS LOCAL AREA BANK	9	0	9	9
35	KARNATAKA GRAMEENA BK	1286	14	1300	1212
36	KARNATAKA VIKAS GRAMEENA BANK	679	11	690	674
37	KSCARD BK.LTD	0	0	0	0
38	K.S.COOP APEX BANK LTD	0	0	0	0
39	KSFC	0	0	0	0
40	EQUITAS SMALL FINANCE BK	0	0	0	0
41	UJJIVAN SMALL FINANCE BK	0	0	0	0
42	SURYODAY SMALL FINANCE BANK	0	0	0	0
43	ESAF BANK	106	0	106	0
44	JANA SMALL FINANCE BANK LTD.	0	0	0	0

45	AU SMALL FINANCE BANK LTD.	0	0	0	0
46	FINCARE SMALL FINANCE BANK LIMITED	0	0	0	0
47	UTKARSH SMALL FINANCE BANK	0	0	0	0
48	INDIA POST PAYMENTS BANK	0	0	0	0
49	AIRTEL PAYMENTS BANK	0	0	0	0
GRAND TOTAL		10624	757	11381	7616

AGENDA 11: NABARD AGENDA:

Agenda 1: Enhancing Credit Flow to Agriculture and Allied Sector through Credit Guarantee

Govt of India has launched two new schemes viz. Animal Husbandry Infrastructure Development Fund (AHIDF) and CSS for formation and Promotion of 10,000 FPOs. Both these schemes have a credit guarantee component to encourage banks to lend for these activities. For this NABARD has established a fully owned subsidiary i.e NABSanrakshan Trustees Pvt Ltd to manage the credit guarantee operations for these two schemes. NABSanrakshan has commenced on boarding member banks through online portal. The status of bank wise sanctions/disbursements of loans, coverage of loans under credit guarantee fund may be reviewed. (In case of any assistance, the Banks may contact at 022-26539241/9243 or email their queries at: ho@nabsanrakshan.org). SLBC may also fix bank-wise target for financing of FPOs and monitor the same.

Agenda 2- Support to Government of Karnataka under RIDF

NABARD has been supporting GoK for creating rural infrastructure covering Agri and allied sector, rural connectivity and social sector including drinking water projects thereby improving the standard of living for the rural populace which has a multiplier effect on India's overall economic development. The sector wise details of support extended so far are given below:

Sector Wise RIDF details (Tranche I-XXVII) as on 15.08.2022

(Rs. Crore)

Sn	Name of the Sector	No. of projects	Total Financial Outlay	Loan Sanctioned	Amount Disbursed
1	Agriculture and allied projects	5611	2030.61	1882.67	1283.78
2	Social sector projects	23137	6059.59	4703.64	3022.39
3	Irrigation projects	5584	5188.26	4356.95	3563.49
4	Rural roads and bridges	12885	8207.09	6687.51	5974.74
	Total	47217	21485.55	17630.77	13844.4

Impact of RIDF

Under RIDF, GoK has undertaken rural infrastructure projects in all the districts of the State. RIDF assistance has helped in creating more than 45353 KM of road length and 58872 M of bridge length besides creation of education and social infrastructure in rural areas. Further, RIDF assistance has helped the state in bringing more than 4.69 lakh Ha of land under irrigation. The list of irrigation projects completed during FY 2021-22 is indicated in Annexure 1. With a view to optimizing the benefits accrued from the implementation of these projects banks may consider extending crop loan and other investment credit to farmers operating in the command area of these projects.

Agenda 3: Reporting of KCC data of other banks under RRBS/Cooperative banks in the portal.

KCC data in respect of RRBs and other private sector commercial banks is being included under the cooperative banks and this is leading to high pendency under the DCCBs. As this is being reviewed at the highest level by DFS, GOI, LDMs may be instructed not to report data pertaining to other banks under DCCBs. Also, district level meetings to review pendency in KCC/status of KCC implementation may be conducted regularly.

Agenda 4: AMI Subsidy Scheme

Agriculture Marketing Infrastructure (AMI) scheme has been extended by Government of India upto 31 March 2023. Banks may popularise the scheme and encourage potential beneficiaries to avail benefit of the schemes.

Agenda 5. Agriculture Infrastructure Fund

SLBC had allocated physical & financial targets to banks for the years 2021-22 and 2022-23. Banks, in turn, may allocate branch wise targets depending on the potential. Banks need to drive awareness about the scheme - include AIF as a key Agri scheme in all local marketing campaigns, bank melas, etc. Banks can also generate AIF projects through their business correspondents. NABARD has sanctioned Special Refinance amounting to ₹373.91 crore in respect of 1083 projects to PACS in Karnataka State.

Agenda 6. Financial Inclusion Fund

1. Grant support is available for various schemes under Financial Inclusion Fund (FIF) from NABARD. The target allocated during the current year for sanction and disbursement are Rs.10.24 crore and Rs.8.52 crore respectively for the State of Karnataka.
2. The various schemes supported under FIF for which Banks can claim grant support are as under:

Conduct of Financial and Digital Literacy Campos by rural branches of Banks.
Reimbursement of Examination fee of BC/ BF

Deployment of micro ATM by SCBs in schools and colleges in Special Focus Districts and in milk societies in all districts

Deployment of PoS/mPoS terminals in Tier 3 to Tier 6 centres

VSAT deployment in sub-service area (SSA) of the Bank for new branches opened and for kiosk/fixed CSP

Mobile signal booster deployment in SSA of Bank for new branches opened and for kiosk/fixed CSP

Installation of solar power unit/ UPS deployment in SSA of Bank for new branches opened and for kiosk / fixed CSP

On boarding to Positive Pay System (PPS) (Applicable for RCBs only)

Handheld Projector with Battery, Screen & Speaker per FLC/rural branch

3. The grant support available is 90% of the eligible expenditure incurred by the Bank for Special Focus Districts and 60% for other districts subject to scheme-wise ceiling as per our Circular No.105 dated 23.04.2019.

Agenda 7: Awareness Creation on Handloom Mudra Portal.

Awareness creation among bankers on Handloom Mudra Portal managed by Punjab National Bank wherein the Banks RO is the maker and Bank HO is the checker. The respective branch has to send the information to their RO for putting in the Handloom Mudra (Bunkar Mitra) Portal.

Agenda 12 Agriculture Department Agenda:

Agenda 12.1 Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS):

Season wise insurance claims settlement status under PMFBY and RWBCIS

- a). Season wise claim settlement status under **PMFBY** as on 31.10.2022 is given in the Annexure 15 (page no 90).

There is pending claim of Rs 50.17 crores from Kharif 2018 to Rabi and Summer 2022 seasons.

SLBC requests Department of Agriculture, GoK to advise ICs settle the pending claims at the earliest.

- b). Season wise claim settlement status under **RWBCIS** as on 31.10.2022 is given in the Annexure 16 (page no. 91).

There is pending claim of Rs 141.51 crores from Kharif 2018 to Rabi 2022 season.

SLBC requests Department of Horticulture, GoK to advise ICs settle the pending claims to farmers at the earliest.

As the huge claim amount of Rs 5.27 Crore is pending with ICICI Bank, it has been directed to the Agri Dept. by the concerned Ministry to take action against the bank. Further ICICI Bank is not responding to the SLBCs advisories. SLBC has addressed a letter to ICICI bank to do the needful in the matter.

All the member banks are requested to display a message in prominent places that default borrowers under KCC are not automatically covered under crop insurance.

12.2. Multiple enrollment of farmers in PMFBY Kharif 2019 and Rabi 2019-20 Seasons on same e-Aadhaar enrollment number and not actual Aadhaar resulting in non-payments of claims

ICICI Bank had enrolled farmers under PMFBY in 2019-20 using the same e-Aadhaar enrollment number (which is tantamount to dishonesty) or not entering the actual Aadhaar number, thereby violating paragraph 6.3 of Pradhan Mantri Fasal Bima Yojana operational guidelines.

Notwithstanding the illegality of the action in doing so and violation of PMFBY guidelines, since Samrakshane portal allows as per the policy of Government of Karnataka, to pay the claims through Aadhaar based DBT transactions only, in all these cases farmers have been denied their claims for no fault of theirs, but only because of the acts of commission/omission by ICICI bank.

ICICI Zonal Head was informed to ensure the correctness and the authenticity of the Aadhaar numbers of the insured farmers, update the details on the portal and submit to this office the details along with the list of application numbers, name of the insured farmer, year and season.

But till date in spite of many reminders and letters from this office the said bank has not completed the process of updation of the Aadhaar details on Samrakshane Portal. Yearwise proposals pending for approval by the bank:

Year	Bank name	Propo al count	Claims amount (Rs.)
19-20 Khrf	ICICI Banking Corporation Bank Ltd	889	20249011
19-20 Rabi	ICICI Banking Corporation Bank Ltd	325	6030241
19-20 Sum	ICICI Banking Corporation Bank Ltd	20	286652
20-21 Khrf	ICICI Banking Corporation Bank Ltd	390	6647166
		1624	33213070

Branch wise count of proposals pending for approval by the bank:

Branch name	Numberof proposals	Claims(Rs.)
ICIC0001427-ICIC0001427 Koppal	280	5788841.59
ICIC0000865-ICIC0000865 Gangavathy	122	1961859.99
ICIC0000482-ICIC0000482 Raichur	113	2266244.75
ICIC0002814-ICIC0002814 Karatagi	99	2453897.86
ICIC0000445-ICIC0000445 Sindhanur	95	3545542.02
ICIC0006520-ICIC0006520 Gadag	88	1956697.77
ICIC0000522-ICIC0000522 Haveri	80	2063540.43
ICIC0000613-ICIC0000613 Davangere	65	641082.06
ICIC0002901-ICIC0002901 Uppunasi	65	993911.67
ICIC0000521-ICIC0000521 Shahapur	44	802149.47
ICIC0001073-ICIC0001073 Hospet	42	557268.2
ICIC0002816-ICIC0002816 Rannibennur	38	982071.37
ICIC0002900-ICIC0002900 Basapur	37	835959.25

ICIC0006507-ICIC0006507	Ilkal	34	826165.28
ICIC0000739-ICIC0000739	Chikmagalur	32	430283.73
ICIC0001092-ICIC0001092	Bellary	32	253996.76
ICIC0003105-ICIC0003105	Kuragund	31	532747.64
ICIC0006499-ICIC0006499	Shirhatti	30	534819.44
ICIC0002903-ICIC0002903	Kulenur	26	474297.3
ICIC0003644-ICIC0003644	Siruguppa	20	291022.88
ICIC0006255-ICIC0006255	Mysoremain	19	609585.66
ICIC0003641-ICIC0003641	Shikaripur	17	139574.64
ICIC0006506-ICIC0006506	Bijapur	16	264168.77
ICIC0003099-ICIC0003099	Singanhal	14	316322.59
ICIC0001010-ICIC0001010	Yadgir	13	238103.59
ICIC0001426-ICIC0001426	Hubli-Gokulroad	13	148999.85
ICIC0003643-ICIC0003643	Manvi	12	530175.49
ICIC0006524-ICIC0006524	Bailhongal	12	162836.2
ICIC0000458-ICIC0000458	Gulbarga	11	398135.01
ICIC0000157-ICIC0000157	Hubli	10	121998.34
ICIC0006523-ICIC0006523	Soundatti	9	183444.46
ICIC0000479-ICIC0000479	Kushalnagar	8	151945.07
ICIC0001430-ICIC0001430	Raichur- Shaktinagar	7	232171.14
ICIC0000301-ICIC0000301	Shimoga	6	64084.99
ICIC0002815-ICIC0002815	Chikodi	6	27317.91
ICIC0001011-ICIC0001011	Challakere	5	17953.34
ICIC0003104-ICIC0003104	Hosekera	5	129684.9
ICIC0003646-ICIC0003646	Sindgi	5	79699.4
ICIC0006505-ICIC0006505	Athani	5	97720.49
ICIC0000014-ICIC0000014	Mangalore	4	94830.81
ICIC0001416-ICIC0001416	Channapatna	4	119621.92
ICIC0002896-ICIC0002896	Beladhadi	4	54102.65
ICIC0003100-ICIC0003100	Sasalmari	4	165956.35
ICIC0003107-ICIC0003107	hannammanagathihalli	4	18668.26
ICIC0000170-ICIC0000170	Dharwad	3	30646.28
ICIC0001425-ICIC0001425	Dharwad- Lakmanahalli	3	85127.39
ICIC0003102-ICIC0003102	Nelhal	3	104864.93
ICIC0001059-ICIC0001059	Hassan	2	5830.34
ICIC0001424-ICIC0001424	Chitradurga	2	32244.46
ICIC0002891-ICIC0002891	Sanganakeri	2	12706.21
ICIC0002894-ICIC0002894	Gopanahalli	2	14475.15
ICIC0003106-ICIC0003106	Karikere	2	7939.43
ICIC0006522-ICIC0006522	Gokak	2	15907.6
ICIC0000176-ICIC0000176	Belgaum	1	7180.15
ICIC0000478-ICIC0000478	Bangalore- Bangarpet	1	29252.91
ICIC0000531-ICIC0000531	Sirsi	1	27731.85
ICIC0000532-ICIC0000532	Bagalkote	1	376.12
ICIC0000738-ICIC0000738	Bidar	1	6384.54
ICIC0001423-ICIC0001423	Toranagallu	1	846.22

ICIC0002813-ICIC0002813	Arsikere	1	11785.1
ICIC0002892-ICIC0002892	Sankonatti	1	20261.06
ICIC0002895-ICIC0002895	Chikmadure	1	6012.37
ICIC0002897-ICIC0002897	Kalasapur	1	12004.1
ICIC0002898-ICIC0002898	Hagare	1	11623.98
ICIC0003101-ICIC0003101	Shantinagar	1	87010.5
ICIC0003103-ICIC0003103	Mamdapur	1	13072.16
ICIC0003842-ICIC0003842	Khanapur	1	3560.42
ICIC0006502-ICIC0006502	Nipani	1	39374.4
ICIC0006508-ICIC0006508	Tikota	1	61581.76
ICIC0006518-ICIC0006518	Examba	1	5769.53
Grand Total		1624	33213070.25

It is requested that the SLBC direct the Bank to take immediate action to approve the details in the portal thus facilitating the speedy settlement of claims. Year wise, season wise details pending to be validated in portal by ICICI Banking Corporation Bank Ltd

Year/Season	Number of Proposals	Claims in Rs.
2019-20 Kharif	1805	38275599
2019-20 Rabi	489	8655518
2019-20 Summer	30	366051
2020-21 Kharif	755	12439684
Total	3079	59736852

Therefore, you are requested to advice the bank to complete the said task within a week failing which action has to be initiated as per the discussions had in the meeting held on 02.06.2022 under the Chairmanship of Honourable Agriculture Minister and as per the decision taken in the SLBC meeting held on 30.05.2022.

AGENDA 13

13.1 . Crop Loan Waiver Scheme -2018

Internal Audit of the CLWS-2018 accounts by the implementing banks

FDFR GoK has addressed a letter to CLWS Special cell, GOK, to place internal audit guidelines in the portal to enable the member banks to complete the internal audit. All the member banks are hereby requested by SLBC to abide by the guidelines and time schedule.

13.2: Fisheries Loan Waiver Scheme:

Directorate of Fisheries in Karnataka informed that, an amount of Rs. 49.00 crore was released to implement the scheme and Rs. 48.99 crore has been utilized. During 158th SLBC meeting the department informed the house that they have received some more applications for waiver and the same is in the process.

AGENDA 14. Banking statistics as on 30th Sept 2022:

14.1: Business figures under various parameters:

(Amt in Cr)

Particulars	Sept 2021	June 2022	Sept 2022	Y-o-Y – variance Sept 22 to Sept 21		Variation Sept 2022 over June 2022	
				Absolute	In %	Absolute	In %
Deposits	1193050	1288312	1287377	94327	7.91	-935	-0.07
Advances	809577	913163	935982	126405	15.61	22819	2.50
Credit-Deposit Ratio	67.86	70.88	72.70	4.84		1.82	
Total PSA	313601	358605	367325	53724	17.13	8720	2.43
% of PSA to Total Advances	38.74	39.27	39.24	0.5		-0.03	
Agricultural Advances	155983	173489	177458	21475	13.77	3969	2.29
% of Agri. Advances to Total Adv.	19.27	19.00	18.96	-0.31		-0.04	
Advances to MSME	105789	132096	130507	24718	23.37	-1589	-1.20
% of MSME to Total Advances	13.07	14.47	13.94	0.87		-0.53	

Sector	Particulars
Deposits, Advances & CD Ratio	There is a Y-o-Y growth of 7.91% in Deposits and 15.61% in Advances. CD ratio of the state as on 30.09.2022 is 72.70%.
Total PSA	There is a Y-o-Y growth of 17.13% in Total Priority Sector Advances.
Agricultural advances	There is a Y-o-Y growth of 13.77% in Agricultural Advances.
MSME sector	There is a Y-o-Y growth of 23.37% in MSME Advances.

SLBC requests the subcommittee on Agriculture to initiate steps to study/improve CD Ratio.

14.2: Branch Network:

(in numbers)

Particulars	June 2022	Sept 2022	Variation of June 22 over June 22
1. Rural	4253	4252	-1
2. Semi-Urban	2676	2662	-14
3. Urban (including Metro)	4787	4836	49
Total	11716	11750	34

In comparison to the June quarter 2022, there is an increase of 34 branches for the Sept quarter 2022.

Bank wise No. of bank branches in the state is provided in Annexure 17 (Page No 92)

14.3 Status of Rural Bank Branch closure: Concerned bank to explain:

District name	Bank name	Merging Branch /Relocation	Acquiring Branch	Distance between branches	Remarks
Dakshina Kannada	Bank of Baroda	Belthangady	Beltangadi	500 m	Amalgamation of Vijaya Bank with Bank of Baroda
Hassan	Canara Bank	Rayarkoppal	-	250 m	Relocation of Branch
Hassan	Canara Bank	Guddenahalli	-	400 m	Relocation of Branch
Hassan	Canara Bank	Koravangala	-	400 m	Relocation of Branch

DCC / DLRC proceedings are provided in Annexure 18 (Page No.93-110)

14.4: ATM Network:

(in numbers)

Particulars	June 2022	Sept 2022	Variation of Sept 22 over June 22
1. Rural	2087	2119	32
2. Semi Urban	3385	3398	13
3. Urban	11524	11470	-54
Total	16996	16987	-9

- ❖ The total number of ATMs have decreased from 16996 as on 30.06.2022 to 16987 as on 30.09.2022, thus showing an decrease of 9 ATMs during the quarter.
- ❖ The increase in rural ATMs is mainly due to increase in rural ATMs of Kotak Mahindra Bank (11), Karnataka Gramin Bank (10) and K S Coop Apex Bank (7).

Bank wise No. of ATMs in the state is provided in Annexure 19 (Page no.111).

Agenda 15: Progress under Aadhar seeding of operative CASA a/cs:

(Rs in Lakhs)

As on	No. of operative CAS A/cs	No. of CASA A/cs seeded with Aadhar	% of Aadhar seeding
30.09.2022	886.73	787.7	88.8

- All member banks are requested to sensitize the branches and for further improving in Aadhar seeding.
- The Bank-wise Progress under Aadhar seeding of CASA accounts in Karnataka state as on 21.10.2022 is furnished in the annexure 20 (page No. 112)

15.1: Progress under Aadhar seeding in PMJDY a/cs:

Particulars	(Outstanding No. of Accounts in lakh)		
	30.06.2022	30.09.2022	Variation
No. of PMJDY A/cs O/S	149.73	159.48	9.75
Total Aadhar Seeded A/cs	130.73	137.52	6.79
% Aadhar Seeding	87.31	86.23	-1.08

All member banks are requested to encourage customers of new PMJDY and existing PMJDY accounts for Aadhar seeding.

Bank wise total progress under PMJDY as on 30th Sept 2022 is provided in the Annexure 21 (Page No.113).

Member banks are requested to pay special attention to two aspirational Districts – Raichur & Yadgir.

15.2: Progress under Social Security Schemes:

Scheme	(No. of enrolments in lakh)			
	Outstanding as on		Growth	
	30 th June 2022	30 th Sept 2022	No.	%age
PMSBY	148.48	178.16	29.68	19.99
PMJJBY	70.88	76.32	5.44	7.67
APY	23.32	25.66	2.34	10.03

Bank wise progress under all the above social security schemes as on Sept 2022 is provided in Annexure 22 (page no.114-115) .

AGENDA 16: Government sponsored schemes & discussion on lending towards Government sponsored schemes (DAY-NRLM, DAY-NULM, MUDRA, Stand-Up India, etc.) and impact of these schemes.

16.1. Performance under various Govt. Sponsored Schemes as on 30.09.2022: Latest position on progress / achievements of various Govt. sponsored schemes are furnished in the Annexures:23 (Page No.116-139)

*In case of **Dr. B R Ambedkar Development Corporation**, Target for the current FY is not yet allocated. Progress is shown of actual number of applications sponsored to the corporation.

SLBC requests all member banks to sanction and disbursement of all pending applications under various Government sponsored scheme.

16.2: PMEGP

TARGET AND ACHIVEMENT UNDER PMEGP IN KARNATAKA STATE DURING 2022-23 (As on 30.09.2022)									
(Projects and Employment in Nos.& M M in Lakhs)									
STATE	TARGET			ACHIVEMENT			ACHIVEMENT IN %		
	PRO	M M	EMP	PRO	M M	EMP	PRO	M M	EMP
KARNATAKA	5215	15124.00	41720	2318	6695.11	18544	44	44	44

The percentage of NPA under PMEGP is 21.64%.

NOTE: The Percentage of Margin Money Utilization is 44%

TARGET AND ACHIVEMENT UNDER PMEGP FOR 2nd LOAN IN KARNATAKA STATE DURING 2022-23						
(Projects and Employment in Nos. & M M in Lakhs)						
Status as on	TARGET			ACHIVEMENT		
	PRO	M M	EMP	PRO	M M	EMP
30-09-2022	52	506.43	416	4	43.99	32

NOTE: The Percentage of Margin Money Utilization is 9 %.

Bank wise and District wise progress and applications pending at bank under PMEGP scheme is provided in Annexure 24 (page No. 140-144).

16.3: CREDIT FLOW TO MINORITY COMMUNITIES

16.3.1: Progress under finance to Minority Communities in the state

Amount Rs. In Crore

O/s as at 30.06.2022			O/s as at 30.09.2022		
No. of A/cs	Amount	% to total PSA	No. of A/cs	Amount	% to total PSA
2112283	35328	9.85	2222963	35966	9.79

SLBC also requests Minority Development Corporation of all districts to sponsor applications from all eligible minorities and take up the issues if any with State Level authorities through Lead District Managers.

Bank wise balance outstanding to Minority Communities as on Sept 2022 provided in Annexure 25 (page No 145-148)

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

The outstanding level of credit to minority communities in the identified Districts as at Sep 2022 is as follows:

(Amount in Crs)

Name of the District	Bidar		Kalburgi		Dakshina Kannada	
	Jun-22	Sept 22	Jun-22	Sept 22	Jun-22	Sept 22
O/s advances under Priority Sector Credit	5543.50	6063.80	8485.00	9040.12	20451.00	21802.33
Lending to Minority Community	842.27	910.81	1067.24	765.96	6229.39	7382.00
% of Minority Community Lending to PSA	15.19	15.02	12.57	8.47	30.46	33.86

- Sufficient care is taken to ensure that minority communities also receive an equitable portion of the credit.
- SBI is the Lead Bank in Bidar and Kalburgi districts and Canara Bank is the Lead Bank in Dakshina Kannada District.

16.4: Grant of Education Loans:

During the sanctioning review period (01.04.2022 to 30.09.2022) of the FY 2022-23, various Banks in the state of Karnataka have disbursed Education loans to the tune of Rs 902.29 Crores to 30730 accounts under both priority and non-priority segments.

16.5: Progress under SHG-Bank linkage/ Joint Liability Groups:

Progress under SELF HELP GROUPS:

Agency	As at Sept 2022					
	Credit Linkage for Sept 22 quarter of FY 2022-23		Cumulative during FY 2022-23		Average finance per group (Rs. in lakh)	
	No. of SHGs	Amount (Rs. in Cr)	No. of SHGs	Amount (Rs. in Cr)	For (June 22 – Sept 22) period	For (Apr 22 – Sept 22) period (cumulative)
PSBs+PVTs	11595	472.97	25811	1125.64	4.08	4.36
RRBs, Cooperatives & Other Banks	19500	650.61	32788	1096.52	3.34	3.34
Total	31095	1123.58	58599	2222.16	3.61	3.79

Bank wise progress under SHGs is provided in Annexure 26 (page no.149).

Progress under JOINT LIABILITY GROUPS:

Agency	Balance O/S as on Sept 2022		Average finance per JLG Member (in lakhs)
	No. of JLGs	Amount (Rs. in Crore)	
PSBs+PVTs	1458128	5975.02	0.41
RRBs, Cooperatives and Small Finance Banks	1172346	4025.81	0.34
Total	2630474	10000.83	0.38

Bank wise progress under JLG-Bank linkage program as at Sept 2022 is given in Annexure 27 (page No 150.).

16.6: Progress in Stand Up India scheme as on 30.09.2022

Member banks have sanctioned 476 SUI loans amounting to Rs. 103.36 Cr from 01.04.2022 to 30.09.2022.

(Nos. in actuals and Amount in crores)

Scheme	Sanctioned during Jun 2022 Quarter		Sanctioned during Sept 2022 Quarter		Cumulative FY 2022-23	
	No. of A/Cs	Sanction Amt.	No. of A/Cs	Sanction Amt.	No. of A/Cs	Sanction Amt.
SC	43	10.39	33	7.77	76	18.16
ST	13	3.21	15	3	28	6.21
Women	131	26.62	241	52.38	372	79
Total	187	40.21	289	63.15	476	103.36

Bank-wise and District wise details of sanctions and disbursements under SUI as on Sept 2022 is provided in Annexure.28 (page No 151-152.). Further member banks are requested to share the outstanding as at end of each quarter, henceforth.

16.7: Progress in Sanctions under MUDRA scheme:

Member banks have sanctioned 2009564 MUDRA loans amounting to 12847.62 Cr from 01.04.2022 to 30.09.2022

Amount in Crores

Scheme	Jun-2022 Qtr		Sep-2022 Qtr		Cumulative FY 2022-23	
	No. of a/cs	Amount sanctioned	No. of a/cs	Amount sanctioned	No. of a/cs	Amount sanctioned
Shishu	623297	1688.7	868209	2612.4	1491506	4301.1
Kishore	205415	2471.12	282303	3422.81	487718	5893.93
Tarun	12515	1012.94	17825	1639.65	30340	2652.59
Total	841227	5172.76	1168337	7674.86	2009564	12847.62

Bank-wise, District, State wise sanctions and disbursements under MUDRA is given in Annexure 29 (page no.153-154).

Karnataka state has secured number **5th position** with respect to MUDRA loan sanctions and disbursements in the country with the active participation of all member banks and support from line department and to reach the 1st position by end of the fourth quarter of the current financial year.

16.8 Progress under PMFME scheme: : Progress under PMFME scheme in the state of Karnataka as on 30.09.2022

Target for the Karnataka State-3871

Details	No of Accounts	
	As on Jun Qtr	As on Sep Qtr
Application Submitted to Banks	287	1253
Sanctions	165	545
Under Process	350	420
Rejection	122	288
ProjectedCost sanctioned(in Cr)	20.34	32.05

Karnataka state has secured 3rd Place in PAN India.

District wise, bank wise and target and progress under PMFME scheme is provided in Annexure 30 (Page No. 155-166).

AGENDA 17: Position of sector wise NPAs:

17.1: Non-Performing assets position as on 30.09.2022:

(Amount in Crore)

Sl.	Sector	As on 30.06.2022		As at 30.09.2022			
		NPA Amt.	% of NPA	Acs - No.	NPA Amt.	Total Loan O/s Amt.	% of NPA
1	Agriculture	20621.12	11.89	960966	19203.77	177458.3	10.82
2	MSME	12534.74	9.49	350379	11149.9	130506.8	8.54
3	Housing	899.91	2.53	17348	822.46	36817.51	2.23
4	Education	539.98	9.68	24329	546.15	6022.27	9.07
5	Other Priority sector adv	801.78	6.79	146101	796.81	16520.21	4.82
6	Non priority sector NPA	29349.34	5.29	337814	23721.8	568657	4.17
7	TOTAL NPAs	64746.9	7.09	1836937	56240.9	935982	6.01

Bank wise and segment wise NPA position is provided in Annexure 31 (Pge No.167-176).

SLBC requests GOK to provide required assistance in recovery of the bad loans.

17.2: Recovery of bank dues under PMEGP:

The summary of scheme-wise NPA position as at Sept 2022 is furnished here under:

(Amount in Crore)

Balance O/S		NPA Level		% of NPA	
Jun-22	Sep-22	Jun-22	Sep-22	Jun-22	Sep-22
887.5	919.08	216.36	198.9	24.38	21.64

Bank-wise NPA level under the PMEGP schemes is furnished in Annexure 32 (Page no.177).SLBC had requested all the member banks to share NPA details with KVIC, which had assured to assist in recovery.

17.3: Recovery of bank dues under KPMR & KACOMP Acts:

(Amount in lakhs)

FY 2022-23 (for the quarter ending Sep 2022)	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
Sept 2022	48605	104792	2577	2136	3192	7803	47990	99125	20474

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 is provided in Annexure 33 (Page no 178).

17.4 Recovery of bank dues under SARFAESI Act, DRT Act & LOK ADALATS:

(Amount in Lakh)

Particulars	Cumulative from 01.04.2022 to 30.09.2022		
	No. of Notices sent	Amount involved	Amount Recovered
SARFAESI	11676	729821	106751
DRT	5624	345105	36198
LOK Adalat	105075	113424	16839
Total	122375	1188350	159788

The Bank wise data is provided in Annexure 34 (Page No.179). Member banks are requested to share district wise pendency under DRT Act, SARFAESI and Lok Adalats, henceforth.

AGENDA 18: REVIEW OF RESTRUCTURING OF LOANS IN NATURAL CALAMITY AFFECTED DISTRICTS IN THE STATE, IF ANY

Government of Karnataka has not issued any notification on either flood or drought during the quarter; hence, Member banks have **not restructured** any accounts in connection with flood and drought.

AGENDA 19: Promotion of Organic Farming - RBI:

Agriculture Department informed that, Joida Taluk of Uttara Kannada District is selected as Organic farming taluk for implementation.

The Agricultural Department has conducted State level meeting in Joida Taluk of Uttara Kannada District on 16.04.2022 regarding implementation of organic farming in Joida. We

request Agriculture Department to provide action plan/road map for implementation at banks level.

AGENDA 20: Integration of FRUITS (Farmer Registration & Unified beneficiary Information System) with Banks

FRUITS Portal is rolled out across the state with effect from 01.11.2021 and all SROs have been made live implementation of FRUITS portal.

AGENDA 21: ISSUES REMAINING UNRESOLVED AT DCC/DLRC MEETING

SLBC has not received any unresolved issues from the LDMs.

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. No.	Name of the sub Committee	Chairman	Convenor Bank	Date of meeting	Minutes (Annexure No.)
1	MSME	Principal Secretary – Industries and Commerce., GoK	Union Bank of India		
2	SHG-Linkage	Addl. Chief Secretary, Skill Development, Entrepreneurship & Livelihood Dept., GoK	Canara Bank		
3	Recovery & Rehabilitation and Govt. Sponsored Schemes	ACS & DC., GoK	State Bank of India		
4	Agri & Allied activities	ACS-Agriculture Dept., GOK	Canara Bank		
5	Retail Loans	Principal Secretary, Housing Dept., GoK	Bank of Baroda		
6	Review of functioning of RSETI & RUDSETI	Addl. Chief Secretary, Skill Development, Entrepreneurship & Livelihood Dept, GoK	State Director for RESETIs, Karnataka		
7	Financial Inclusion	Convenor, SLBC Karnataka	Union Bank of India		
8	Deepening of Digital Payments	State Bank of India	State Bank of India		

SLBC requests member convener banks to conduct above meetings immediately and share the minutes .

AGENDA 23:

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

It has informed by NCGTC, GoI vide their letter 1404/NCGTC/ECLGS dated:30.03.2022 regarding duration of Emergency Credit Line Guarantee Scheme (ECLGS) has been

extended up to March 31,2023 or till guarantees for an amount of Rs 4,50,000 crore are issued (taking into account all components of ECLGS), whichever is earlier.

In our state, member Banks have sanctioned 416489 accounts with an amount of Rs 20052 crores under ECLGS scheme against total eligible amount of Rs 30472 crore as on 30.09.2022.

Summary on ECLGS Progress in Karnataka State as on 30.09.2022 is provided in annexure 35 (page No.180-181)

23.2: PMSVANidhi scheme:

Lending under the PMSVANidhi scheme is extended till December, 2024. Credit Guarantee and Interest Subsidy claims on all loans will be paid till March 2028.

It has been decided to keep a minimum repayment period of six months for 2nd loans to be eligible for the next cycle of loan with an enhanced limit. Minumum Loan amount for 3rd loans in PMSVANidhi scheme is Rs.30000/-

Various review meetings were conducted by ACS & DC, GoK with LDMs and Member banks and state line departments in coordination with SLBC.

Progress under PMSVANidhi scheme in Karnataka state as on 11.10.2022

Loan term	Disbursement Target	Application Status							
		Applications received /Eligible applications	Sanctioned	Rejected by Banks	Total	Not processed	Disbursement	% of Sanction against loan	% of Disbursement against applied to
I	2,50,000	2,30,052	1,70,508	42760	2,13,268	16,784	1,50,725	74.12	65.52
II	50,700	42,190	37,354	0	37,354	4,836	30,029	88.54	71.18
III	1,350	433	392	0	392	41	321	90.53	74.13
Total	3,02,050	2,72,675	2,08,254	42,760	2,51,014	21,661	1,81,075	76.37	66.41

Bank wise & district wise sanction/disbursements/pendency/rejection of applications under the scheme and guidelines are furnished in Annexure 36 (page no.182-198)

AGENDA 24 : Other Issues

24.1. Implementation of Kannada language by Banks.

All member banks and LDMs are requested to ensure:

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

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

LDMs are requested to ensure the above said aspects in DLRC, DCC and BLBC meetings with district coordinators of banks and bank branch Managers.

The state controlling office of banks has to advise their Regional Managers/Regional officer/Districts coordinators for extending necessary support to LDMs for creating awareness programme to degree colleges for taking banking exams.

SLBC request member banks to ensure imparting Kannada language training to non-Kannada employees. Further, banks are requested to inform the number of training so conducted to SLBC on quarterly basis.

24.2: Special Agenda on Saturation drive on Jan Suraksha Schemes:

Based on the speech made by Hon'ble Prime Minister, on the day of independence of 2021", a campaign is being initiated for enrolment of persons eligible under the three schemes namely PMJJBY, PMSBY. Campaign commenced from 02.10.2021 and for achieving saturation enrollment under each of the PMJSS schemes of the unenrolled accounts by 30.09.2022.

As per DFS letter ref F.No.M-18012/1/2020 dated 20.04.2022 DFS has revised timeline from 30.09.2021 to 30.09.2024, all member banks and LDMs are requested to take suitable action to ensure that the targets fixed for enrolment of identified eligible PMJDY account holders and PMMY beneficiaries are achieved well within the revised timelines. The timeline for achieving the targets is as follows:

Period	Target to Achieve
Upto Sep 2022	40 % of total target
Upto Sep 2023	70 % of total target
Upto Sep 2024	100 % of total target

The timeline for saturation drive in respect of opening of PMJDY accounts remains unchanged. Data pertaining to the targets and achievements during the saturation drive shall continue on weekly basis by the Banks. SLBC request the banks to take initiatives in this regard at the earliest.

Agenda 24.3: Activities under Azadi ka Amrit Mahotsav (AKAM) in Karnataka state

GOI, India is celebrating 75 years of independence "Azadi ka Amrit mahotsav (AKAM)" which commenced on 12th March 2021 marked a 75-week countdown to the 75th Anniversary of our Independence on 15th August 2022 and will continue for a year thereafter, till 15th August 2023. The whole program has been categorized under iconic, non-iconic (anchor and non-anchor) and media campaign / activity.

Ministry of Finance has allocated iconic months, and the iconic activities have been conducted during those months. In this connection, DFS has advised us as under:

1. All the public sector banks in the state have to identify 75 branches for opening 75 Jandhan accounts.
2. Provide 75 micro insurance in the state
3. Sanction 75 KCCs, 75 Mudra Loans, loans to 75 women entrepreneurs, 75 SC/STs, 75 PMSVANidhi loans, 75 education loans etc during iconic week in the state.

24.4: Performance by Banks under Annual Atal Pension Yojana (APY) Targets during FY 2022-23: (from 01.04.2022 to 30.09.2022)

Karnataka has achieved 46% of APY target set by PFRDA during FY 2022-23 upto 30.09.2022.

Bank Category	No. of branches as on 01.04.2022	Target PFRDA branch	by per	Total Target	Performance by Banks	Achievement %
Major Banks	6486		80	518880	193292	37%
PVT Banks	1328		30	39840	14172	36%
RRB	1774		80	141920	116810	82%
Total	9588			700640	324274	46%

* Major Banks (ALL PSBs and 4 Private banks i.e. **ICICI Bank, AXIS Bank, HDFC Bank, IDBI Bank**). Bank wise and District wise performance report provided by PFRDA is placed as Annexure 37 Page no199-201)

24.5: Status of Aadhar Enrolment Centers in banks in the State:

UIDAI, Bangalore has informed that as on 30.09.2022, 823 kits are active with 236267 Enrolments / updates in the last 30 days against 814 active kits with 271193 enrolments/updates in the last 30 days as on 30.06.2022.

SLBC requests all Banks to improve the enrolments and carry out maximum enrolments/updates. SLBC also requests all Member Banks to give more focus for enrolments/updates in Raichur & Yadgir districts.

Bank wise status of enrolment centers as per UIDAI in Karnataka is provided in Annexure 38(page No.202).

24.6 Standard operating procedure for obtaining Encumbrance Certificate when a property is registered in a Sub-registrar's office [SRO] other than the jurisdictional Sub-Registrar's office.

Karnataka Bank has requested that in case of registration of property at SRO other than jurisdictional SRO, the EC generated from jurisdictional SRO does not reflect the transaction of other SROs, due to the lack of interlinking of SROs. As this is a fraud prone area and affecting all the bankers, they have requested SLBC to take up the matter. SLBC requests GoK to guide in the matter. The letter is enclosed as Annexure-39 [page Nos.203-205]

AGENDA 25: Skill Development:

25.1: RUDSETI / RSETIs There are 7 RUDSETIs and 24 RSETIs functioning in the state of Karnataka.

25.2: Status of RSETIs / RUDSETIs as on 30.09.2022 reported by sponsor Banks is as under:

(Quarterly)

Name of the Sponsoring Institution	No. of RSETIs	Target for 2022-23		Achievements (as at 30.09.2022)		
		No. of Programmes	No of person needs to train	No of Programmes	No of person Trained	% Ach
RUDSETI	7	191	5516	112	2839	51
Canara Bank	11	305	8576	177	4585	53
State Bank of India	7	192	5358	98	2322	43
Union Bank of India	2	57	1576	28	734	47
Bank of Baroda	2	52	1580	35	837	53
Kotak Mahindra Bank	1	28	800	14	361	45
DCC Bank	1	30	900	17	460	51
Total	31	855	24306	481	12110	50

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

Sl No.	Particulars	As on 30.09.2022 (Cum since inception)	During FY 2022-23
1	No. of training programs conducted	12142	481
2	No. of persons trained	343015	12110
3	No. of persons secured employment / self-employment	243502	1183
4	No. of trained persons credit linked	150227	767

The progress achieved by RSETIs during the year is provided in the Annexure 40 (page No 206).

All member banks are requested to arrange for credit linkage to all RUDSET/RSET trained candidates to foster self-employment.

SLBC requests RSETIs to conduct credit awareness programmes in the middle of the training programmes and to share the list of trainers to local banks for facilitating credit linkage.

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

The District administration of Ballari District had allotted the land of 1.11 acres in TS No.1084/2b, near Bandihatti village, Ballari in the name of "The CEO, ZO, Ballari" instead of "The Director, CB RSETI, Ballari". As per the guidelines of MoRD, the land should be allotted in the name of "The Director, RSETI" whereas the land is allotted in the name of "The CEO, ZP" at Ballari.-At present the same is under court dispute.

During the last DLRAC meeting, district administration assured the institute for alternate land allotment for RSETI building construction. Subsequently RSETI Ballari requested to The CEO, ZP, Ballari vide its letter dated 28.07.2022 to allot the land of at DIC compound only as DIC is not utilizing the land.

Canara bank had requested the house to solve the issue. SLBC once again requests the State Government authorities to resolve the issue.

During 158th SLBC meeting The Chief Secretary, GoK had directed to address a suitable letter to the DC of Ballari district under signature of ACS & DC, GoK. According letter has been addressed on 23.09.2022 under signature of Additional Chief Secretary, Development Commissioner, GoK.

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

The total no. of calls received at the Helpdesk from April 2022 to Sept 2022 is 5074.

All member Banks are requested to popularize this Toll Free Number among their customers.

SLBC Had requested Banks to share the Tollfree Number expenses by remitting their share for the period from June 2022 to September 2022. The Banks yet to pay their share are: Bandhan Bank, Equitas Small Finance Bank, IDFC First Bank, IndusInd Bank, RBL Bank Ltd. and YES Bank.

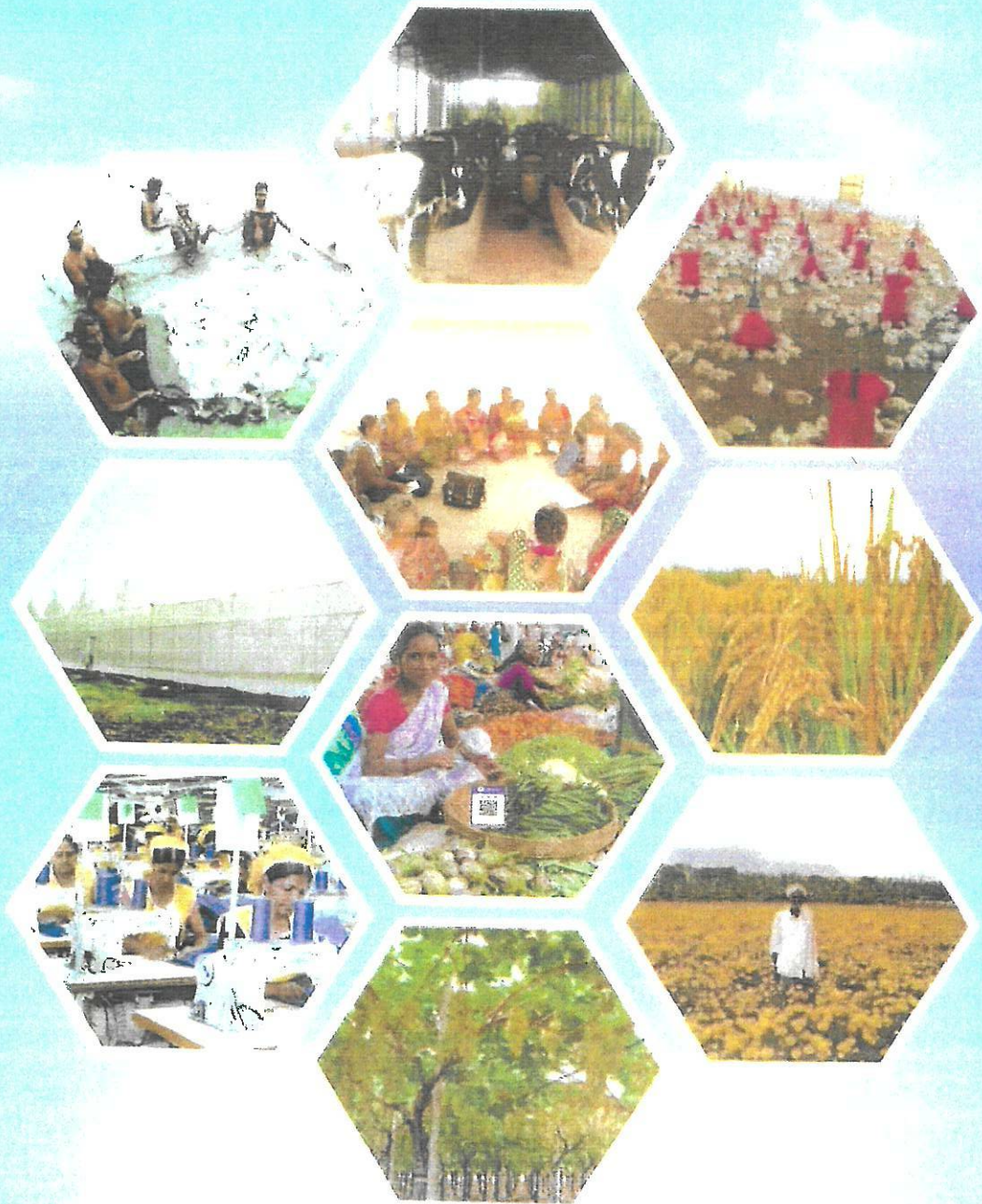




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कर्नाटक राज्य स्तरीय बैंकर्स समिति

STATE LEVEL BANKERS' COMMITTEE,
KARNATAKA



ಸಂಯೋಜಕರು ಸಂಯೋಜಕ CONVENOR

ಕೆನರಾ ಬ್ಯಾಂಕ್ ಕೆನರಾ ಬೆಂಕ Canara Bank

ಕರ್ನಾಟಕ ರಾಜ್ಯ ಮಟ್ಟದ ಬ್ಯಾಂಕರುಗಳ ಸಮಿತಿ

भारत सरकार का उपग्रह

A Government of India Undertaking

Canara Bank Syndicate