



ಕರ್ನಾಟಕ ರಾಜ್ಯ ಮಟ್ಟದ ಬ್ಯಾಂಕರುಗಳ ಸಮಿತಿ
कर्नाटक राज्य स्तरीय बैंकर्स समिति
**STATE LEVEL BANKERS' COMMITTEE,
KARNATAKA**

೧೬೧ನೇ ಎಸ್.ಎಲ್.ಬಿ.ಸಿ. ಸಭೆಯ ಕಾರ್ಯ ಸೂಚಿ ಟಿಪ್ಪಣಿ
AGENDA NOTES OF 161st SLBC MEETING



ದಿನಾಂಕ : ಶುಕ್ರವಾರ, ೫ನೇ ಮೇ, ೨೦೨೩
Date : Friday, 5th May, 2023

Through Video Conference
ವೀಡಿಯೋ ಸಂವಾದದ ಮೂಲಕ

ಸಂಯೋಜಕರು ಸಂಯೋಜಕ **CONVENOR**

ಕೆನರಾ ಬ್ಯಾಂಕ್ ಕೆನರಾ ಬೆಂಕಿ **Canara Bank**

ಭಾರತ ಸರ್ಕಾರದ ಒಂದು ಉದ್ದೇಶ

ಭಾರತ ಸರ್ಕಾರ ಕಾ ಉದ್ದೇಶ

A Government of India Undertaking

ಸಿಂಡಿಕೇಟ್ ಸಿಂಡಿಕೇಟ್ **Syndicate**

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DATE : FRIDAY, 05th MAY 2023
TIME : 3.00 PM

ವಿಡಿಯೋ ಸಂವಾದದ ಮೂಲಕ
THROUGH VIDEO CONFERENCE

ಸಂಯೋಜಕರು ಸಂಯೋಜಕ Convenor



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

**AGENDA NOTES FOR 161st SLBC MEETING &
BANKING STATISTICS AS ON 31st March 2023**

As per the revised RBI guidelines on Lead Bank Scheme, SLBC has convened the Steering Committee Meeting on 28.04.2023 at 3rd Floor, Conference Hall, Canara Bank, HO Annexe, Gandhi Nagar, Bengaluru under the Chairmanship of Sri. B Parshwanath Deputy General Manager, Canara Bank. Convenor & SLBC Karnataka. The suggestions made in the meeting have been duly incorporated.

AGENDA 1: Confirmation of the minutes of 160th SLBC meeting held on 14.02.2023.

The minutes of 160th SLBC meeting held on 14.02.2023 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.	Standardized system for direct flow of data from CBS of the member banks.	Despite repeated reminders Yes bank, IDBI bank, Bank of Maharashtra, Axis Bank Federal Bank, Federal Bank and IndusInd Bank have delayed in uploading the data. DBS Bank and Bandhan Bank have not updated the complete data for March quarter 2023.
02	Business Correspondents (BCs) data discrepancies observed between the data shared with RBI and updated in SLBC revamped portal.	SLBC has addressed letters to ICICI Bank, IndusInd Bank, RBL Bank and Yes Bank to upload correct data and these banks have uploaded correct data

Agenda 2.1: Progress under Social Security Schemes:

(No. of enrolments in lakh)

Scheme	Outstanding as on		Growth	
	31 st Dec. 2022	31 st March 2023	No.	%
PMSBY	181.09	196.58	15.49	8.55
PMJJBY	79.25	87.82	8.57	10.81
APY	27.51	28.36	0.85	3.09

NOTE: As DBS Bank has not updated the data for March quarter 2023, till date, the data for December Quarter 2022 is taken for consolidation.

- **DFS** Gol has launched 3 months' saturation campaign. However due to existence of Model Code of Conduct in Karnataka, the campaign will be commenced soon after MCC is over. SLBC has allotted targets under the above schemes to all the districts,

Bank wise progress under all the above social security schemes as on March 2023 is provided in Annexure 1. (page no. 37).

Agenda 2.2: Progress under Aadhar seeding in PMJDY a/cs:**(Outstanding No. of Accounts in lakh)**

Particulars	31.12.2022	31.03.2023
No. of PMJDY A/cs O/S	179.80	182.79
Total Aadhar Seeded A/cs	140.73	143.99
% Aadhar Seeding	78.27	78.78

NOTE: As DBS Bank has not updated the data for March quarter 2023, till date, the data for December Quarter 2022 is taken for consolidation.

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

Bank wise total progress under PMJDY Aadhar seeding as on 31st March 2023 is provided in the Annexure -2 (Page No.38).

District wise total progress under PMJDY Aadhar seeding as on 31st March 2023 is provided in the Annexure -2A [page No.39]

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

Agenda 3: 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. Minimum Loan amount for 3rd loans in PMSVANidhi scheme is Rs.30000/-

Karnataka Ranks 7th position in sanction of PMSVANidhi loans.

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 31.03.2023

Term	Target	Total Loan Applied (Eligible Applications)	Sanctioned	DISBURSED	Returned by Bank	% Sanctioned against Eligible Loan Application	% Disbursement Against Sanctioned
1st Term	250000	229272	187296	164839	22596	81.69	88.01
2nd Term	50700	89024	64292	45649	15941	72.22	71.00
3rd Term	1350	5018	4363	3144	161	86.95	72.06
Total	302050	323314	255951	213632	38698	79.16	83.47

Pendency for sanction and disbursement are 21343 and 43595 for the state respectively. Major Pendency are under following banks. - **State Bank of India (333 & 13987), Canara Bank (2912 & 7287), Union Bank of India (33 & 3236), Karnataka Bank (8103 & 392), Bank of Baroda (720 & 4100) and HDFC Bank (536 & 9355).**

As the pendency includes returned/rejected applications also, SLBC has addressed a letter to FD-FR GoK for modification of portal.

Bank wise & district wise sanction/disbursements/pendency/rejection of applications under the scheme and guidelines are furnished in Annexure -3 page no. (42-47)

AGENDA 4: REVIEW OF CREDIT DISBURSEMENT BY BANKS:

4.1. Achievement under ACP and Priority Sector Lending

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

(Rs in crores)

Sector	Annual Target	Mar-2022		Annual Target	Mar-2023		% Growth YoY
	2021-22	Ach	% Ach.	2022-23	Ach	% Ach.	
Short Term Loan	71923	61774	85.89	81896	79157	96.66	28.14
Agri Term Loan	54069	57845	106.98	58977	80595	136.65	39.33
Total Agri Loans	125992	119619	94.94	140873	159752	113.40	33.55
MSME	111827	80418	71.91	129604	117835	90.92	46.53
Export Credit	3628	495	13.64	3967	791	19.94	59.80
Education	5970	1240	20.77	6316	1148	18.18	-7.42
Housing	30165	8035	26.64	32794	5403	16.48	-32.76
Social Infrastructure	2201	572	25.99	2549	1119	43.90	95.63
Renewable Energy	3111	188	6.04	3565	35	0.98	-81.38
Other PSA	9498	8289	87.27	10555	9687	91.78	16.87
Total PSA	292392	218856	74.85	330223	295769	89.57	35.14
Total Non-Priority	203980	362755	177.84	259483	470614	181.37	29.73
Total Credit	496372	581611	117.17	589706	766383	129.96	31.77

NOTE: Bandhan Bank and DBS Bank have not updated this data for March quarter 2023 till date, the data for December Quarter 2022 were taken for these 2 Banks for consolidation.

Bank wise & sector wise level of disbursement/achievement in PSA and NPSA under Annual Action Plan during March quarter 2023 is provided in Annexure-4 (Page no.48-61).

District wise & sector wise level of disbursement / achievement in PSA and NPSA under Annual Action Plan during March quarter 2023 is provided in Annexure – 5 (Page No.62-68).

Bank wise level of outstanding for PSA and NPSA as on 31.03.2023 Annexure-6 Page no[Page No.69-78]

4.2 Major Bank wise performance/Achievement of ACP as on March 2023: (Rs in crores)

SI No.	Name of Bank	Priority Sector			Total Credit		
		Target	Achievement	% Achieve	Target	Achievement	% Achieve
PSBs							
1	Canara Bank	50935	43074.29	84.57	78542	90566.77	115.31
2	State Bank of India	47752	36461.98	76.36	83118	86486.68	104.05
3	Union Bank of India	23610	22398.2	94.87	42557	55731.44	130.96
4	Bank of Baroda	21551	19877.16	92.23	40797	44312.11	108.62
5	Bank of India	7366	4800.73	65.17	14414	10231.46	70.98
6	Bank of Maharashtra	3185	1519.01	47.69	6484	20119.58	310.30
7	Central Bank of India	5177	979.5	18.92	10654	3184.01	29.89
8	Indian Bank	7232	5560.04	76.88	17057	16215.04	95.06
9	Indian Overseas Bank	7590	1721.34	22.68	14079	2724.52	19.35
10	Punjab National Bank	8277	681.29	8.23	19695	4681.8	23.77
11	Punjab and Sind Bank	654	108.47	16.59	1576	729.5	46.29
12	UCO Bank	2168	2023.98	93.36	5858	3007.77	51.34
Major Pvt Banks							
1	Karnataka Bank Ltd	14292	5049.36	35.33	23409	11462.11	48.96
2	HDFC Bank Ltd	9867	21851.66	221.46	28211	92899.35	329.30
3	Axis Bank Ltd	9371	6381.95	68.10	21431	20394.76	95.16
4	ICICI Bank Ltd	9586	13631.75	142.20	21944	65042.43	296.40
5	Kotak Mahindra Bank	6410	12856.35	200.57	12581	23184.85	184.28
RRBs							
1	KGB	18024	12923.43	71.70	21582	14211.36	65.85
2	KVGB	11736	8997.89	76.67	13406	10383.55	77.45
Co-Op Sector							
1	K.S.Coop Apex Bank Ltd.	17943	29027.96	161.78	19697	41912.19	212.78

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 5: Swami Vivekananda Youth JLG (SVY JLG):

The Chief Minister of Karnataka announced a new scheme on 28.07.2022 namely Swami Vivekananda Youth JLG and aims at generation of employment opportunities for the groups of "Swami Vivekanda Yuvakara Swasahaya Sangha" formed by Department of Youth Empowerment and sports, Department & Rural Development and Panchayat raj and Skill Development. State Bank of India is Anchor Bank for the implementation of the same scheme.

SLBC request member banks to convert the pending SHG account opened under this scheme into JLG accounts and sanction/ disburse loans as per norms.

District wise and bank wise account opening under SYSY is provided in the Annexure -7- [page No.79]

AGENDA 6: 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 31.03.2023 is as follows:

RGHCL / ULB / KSDB						
Implementing agency	Status	No of Houses required bank loan	No of loan applications submitted	No of loan applications sanctioned	No. of loan Disbursement	No of loan applications Rejected
ULB	Ongoing	44958	13532	4184	629	1495
RGHCL/ CM 1 Lakh	Ongoing	52735	2010	536	0	144
KSDB	Phase I	44061	15846	2961	219	1397
	Phase II	97134	5500	167	0	53
Grand Total		238888	36888	7848	848	3089

SLBC requests member banks to conduct camps during next three months to clear the pending applications. SLBC requests member banks to inform the % of applications rejected for the reasons 'applicant having other loans' and income is low", henceforth. SLBC had convened meetings with major member banks where pendency is on higher side and requested member banks to clear the pendency where non tendered projects also including under pending applications. SLBC advised these banks to get the clarifications from RGHCL regarding inclusion of non-tendered/yet to tender applications. Major Pendency for sanction and disbursement are with **State Bank of India, Canara Bank, Union Bank of India, Bank of Baroda and Karnataka Bank,**

Union Bank of India was identified as Nodal bank for digital documentation on AHP. Union Bank of India kindly update the latest status regarding the same.

Bank wise and District wise progress under PMAY-AHP provided in the Annexure - 8 [Page No.80-102].

AGENDA-7: 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 March 2023:

SI No	Name of the district	(Rs in Cr)					
		As on Dec 2022			As on March 2023		
		Deposits	Advances	CD Ratio %	Deposits	Advances	CD Ratio %
01	Uttara Kannada	19667.57	8595.48	43.70	20789.08	9003.29	43.31
02	Udupi	34119.87	15964.42	46.79	35260.33	16243.97	46.07

NOTE: As DBS Bank have not updated the data for March quarter 2023 till date, the data for December Quarter 2022 was taken for consolidation.

- The CD Ratio of the state as a whole as on 31.03.2023 is 73.52%.
- DCs and LDMs are requested to continue necessary corrective measures and continuously monitor the progress in their special subcommittee and DCC meetings.
- SLBC advised LDMs of these districts to form District Level Sub-committee to review progress under CD ratio on regular basis.
- Bank wise CD ratio as on March 2023 is provided in Annexure -9 [Page No.103-104]).
- District wise CD ratio as on March 2023 is provided in Annexure - 10 (Page No.105).

* Loans sanctioned by NBFCs and HFC are not taken into account. If the same is included, achievement of the state will be more. RBI can guide SLBC in the matter.

AGENDA-8 Issues - Reimbursement of pending BPL claims of training expenditures:

As on 31.03.2023, about **Rs. 25.53** crores are 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 - 11 [page No.106] SLBC once again request SRLM to clear the long pending dues to banks.

AGENDA-9: Review of financial inclusion initiatives, expansion of banking network and Financial Literacy

As per Jan Dhan Darshak app and FI Plan portal, as on date , there are 16 unbanked villages without any Branch, BC, or IPPB within a radius of 5 KM. We have allotted these 16 unbanked villages to member Banks to open banking outlet and to update the same in JDD portal.

Out of 16 villages, 10 villages already having IPPB centres. Due to technical error they are unable to update in JDD portal and the same is taken up with DFS, GoI.

Out of remaining 6 villages State Bank of India is yet to appoint 5 BCs and Bank of Baroda yet to appoint 1 BC.

	More than 5000 population villages	Between 3000 to 5000 population villages	Less than 3000 population villages
Villages not having any banking outlet	Nil	1 (Sambargi village) IPPB yet to open branch.	16 villages 10 – IPPB (already IPPB BC exists due to technical error unable to update in JDD portal) 5 – SBI (yet to appoint BC) 1 – BOB (1 yet to appoint BC)

We request BOB [1] and, SBI [5] to appoint banking outlets immediately.

AGENDA 10: Financial inclusion Initiatives:

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

As on March 2023	Total No. of BC locations	No. of active BCs available	No. of inactive BC locations	BCs certified by IIBF
	71268	59379	11889	7631

*As on 31.03.2023, the No. of inactive BCs are **11889**. This is due to high number of inactive BCs of following banks:

Bank Name	Inactive BC as on 31.12.2022	Inactive BC as on 31.03.2023
Yes Bank	0	10956
Canara Bank	154	73
State Bank of India	186	268
Bank of Baroda	61	315
Bank of India	50	46
HDFC Bank	54	79
IDFC Bank	206	36

Bank wise details of BCs as on 31.03.2023 is furnished as an Annexure -12 (page No.107-108)

10.2: Financial literacy initiatives by banks.

The status of FLCs as on 31.03.2023 as reported by sponsor Banks is as under:

	Financial Literacy Centers (FLCs)				
	As on 31.12.2022		As on 31.03.2023		Total FLCs
	Functional	Non Functional	Functional	Non Functional	
Total	150	27	151	26	177

SBI, UBI, BOI & KGB Banks are requested to expedite appointment of 15,9,1 & 1 FL Counsellors respectively and make these FLCs functional. SLBC requests member banks to ensure that all FLCs are functional by 30.04.2023

Activities of FLCs enclosed in annexure- 13 (page No.109)

10.3 : 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 31.03.2023 are as under:

(A) Raichur District:

Particulars	Key Performance Indicators (KPIs) as on 31.03.2023			
	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 March 2023	147919	12047	38942	3984
% Achievement	114.00	123.28	128.51	138.05
Gap to target (per lakh population)	Achieved	Achieved	Achieved	Achieved

(B) Yadgir District:

Particulars	Key Performance Indicators (KPIs) as on 31.03.2023			
	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 March 2023	153105	15573	35630	3876
% Achievement	118.00	159.00	118.00	134.00
Gap to target (per lakh population)	Achieved	Achieved	Achieved	Achieved

As per data submitted by LDMs both the districts have achieved 100% target under all 4 KPIs set by DFS.

Those the above Districts have achieved the above parameters, some banks are lagging behind. SLBC request those banks to improve their position.

Bank wise KPI data provided in Annexure -14 (Page No.110-112) and defaulting banks are requested to achieve the allotted target.

AGENDA 11: Inputs from RBI:

I. Financial Inclusion & Financial Literacy

a. Appointment of Financial Literacy Centres (FLCs):

Out of the 177 Financial Literacy Centres (FLCs), 151 FLCs are active as on March 31, 2023 leading to vacancies of **26 FLCs** (14.68% of the available positions).

S.No.	Concerned Bank	Vacancies in FLCs	
		As on Dec 31, 2022	As on March 31, 2023
1	State Bank of India (SBI)	13	15
2	Union Bank of India (UBI)	9	9
3	Canara Bank	0	0
4	Bank of Baroda (BoB)	2	0
5	Bank of India (BoI)	1	1
6	Karnataka Gramin Bank (KaGB)	2	1
	Total	27	26

Controlling offices of the above banks had been advised during last SLBC meeting to appoint FLCs in vacant positions and to initiate measures to reduce attrition amongst the FLCs. However, as on March 31, 2023, it is observed that barring Bank of Baroda and KGB, there is no positive change in FLCs vacancies for BoI and UBI compared to Dec 31, 2022 position. No. of vacancies have increased for SBI. Controlling offices of the above banks are advised to submit a plan of action with timeline to operationalize vacant FLC positions.

a. 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 were 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.
- Minimum number of special camps by rural branches of banks are conducted (one camp per month on the Third Friday of each month after branch hours).

However, there was a shortfall in holding 8530 special camps by 4293 rural branches across the state during March 2023 quarter. Decline in shortfall in no. of camps held by 248 vis-à-vis last quarter when no. of branches increased by 24. However, shortfall continues to be extremely high and unacceptable. (Detailed data is given in Annexure-44 [page No.245-246].

Data on shortfall in FLCs camps for Dec 2022 and Mar 2023 quarters is as under.

Shortfall data	Dec 2022			Mar 2023		
	No. of Banks	No. of FLCs	Shortfall	No. of Banks	No. of FLCs	Shortfall
Special Camps	7	14	47	5	11	40
Target specific camps	4	12	74	7	15	120

Special Camps (2 camps per FLC per month) (06 camps per FLC in a quarter)					
Sl. No.	Bank Name	District	Block	FLC code	Mar-23
					Shortfall in camps
1	Canara Bank	Haveri	Shiggaon	86104	1
		Koppal	Kushtagi	86303	5
		Gulbarga	Chittapur	86405	4
2	SBI	Hassan	Holenarasipura	84604	3
		Mysuru	Hunasuru	85006	5
		Tumakuru	Koratagere	85407	4

		Shivamogga	Bhadravati	87407	4
3	KVGB	Uttara Kannada	Yellapur	87204	3
4	BoI	Belagavi	Khanapur(SU)	87008	6
5	UBI	Ramanagara	Ramanagar	24801	2
		Ramanagar	Magadi	24803	3
Total					40
Target Specific Camps (5 camps per FLC per month) (15 camps per FLC in a quarter)					
Sl. No.	Bank Name	District	Block	FLC code	Mar-23
					No of Shortfall
1	Canara Bank	Koppal	Kushtagi	86303	4
		Kalburagi	Chittapur	86405	13
		Chikkamagalur	Sringeri	87706	1
2	SBI	Hassan	Holenarasipur	84604	11
		Mysuru	Hunasuru	85006	12
		Tumakuru	Koratagere	85407	10
		Shivamogga	Bhadravathi	87407	4
3	UBI	Ramanagar	Magadi	24803	7
4	KGB	Mysuru	Heggadadevankote	85002	11
5	KVGB	Gadag	Shirahatti	85902	3
		Dharawad	Kalaghatagi	86002	8
6	BOI	Belagavi	Khanapur	87008	15
7	BoB	Davanegere	Channagiri	85702	9
		Mysore	K R Nagara	570	9
		Bengaluru	Bengaluru North	84003	3
Total					120

In this regard, controlling offices of the banks are advised to:

- Submit a plan of action with timeline to conduct all the pending camps. Also, ensure that a calendar for each quarter (6 special camps and 15 target-specific camps per quarter) may be prepared in advance by each FLC and shared with the SLBC and the Regional office concerned of RBI (within 10 days of the start of the quarter).
- Ensure that FLCs that are failing to hold requisite camps for consecutive quarters are monitored more closely
- Monitor FI activities of rural branches to ensure conduct of requisite camps every month by the branches. As non-conduct of rural camps has been identified as a medium risk in our recent RBIA, the banks are advised to conduct all deficit camps for March 2023 quarter by May 15, 2023 and also ensure that target for June quarter is met.
- Data on bank wise shortfall may be provided by SLBC within a week.

Also, in the last SLBC meeting, banks had been 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 are advised to provide an update in this regard.

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

The latest update on BC data received by SLBC for March, 2023 indicated 11889 BCs (16.68%) were inactive out of total 71268 BCs. The bank-wise details are as per Annexure-45 [page No.247]. Based on analysis of BC data it is observed that:

(i) Compared to Dec 2022 quarter, there is 18% decrease in the reported inactive BC data and 3% decrease in the total BCs engaged by banks compared to the previous quarter.

There is an increase in in-active BCs for Bank of Baroda (416%), Punjab National Bank (3500%) and UCO Bank (28%) during March 2023 quarter.

Banks are advised to provide an update regarding operationalization of inactive BC locations, as advised in the last SLBC meeting. Detailed plan for the operationalization maybe provided by following seven banks whose inactive to total BC percentage was above 10% for Mar 2023 quarter.

SI	NAME OF THE BANK	Inactive BCs	Total BCs	% of inactive to Total BC
1.	BANK OF BARODA	315	1731	18.20
2.	BANK OF INDIA	46	134	34.33
3.	PUNJAB NATIONAL BANK	36	68	52.94
4.	UCO BANK	32	53	60.38
5.	KARNATAKA BANK	12	84	14.29
6.	HDFC BANK	79	457	17.29
7.	YES BANK	10956	31147	35.18
8.	State Bank of India	268	2817	10.00

In this connection, a meeting was held with Regional and Cluster Heads of Yes Bank on February 02, 2023. The bank was advised to take action with regard to the high number of inactive BCs and the bank had informed that it intends to run multiple campaigns to activate the BCs by March 31, 2023. Yes Bank Co-coordinator may update the forum regarding the status. The remaining seven banks are also advised to activate all inactive BCs.

c. Based on Financial Inclusion Index (FI-Index), three districts (Ballari – usage criteria, Udupi and Uttara Kannada – Quality criteria) in Karnataka had been identified by FIDD CO in the bottom 10 percentile of the FI-index.

In this regard, SLBC was advised to have an agenda item on this aspect for monitoring performance of the parameters across all districts. SLBC is also advised to provide an update on their letter dated Dec 13, 2022 sent to the LDMs regarding forming sub-committee for FI index in Ballari, Udupi and Uttara Kannada district.

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, i.e., September and December 2022, of the following two districts have not been held till April 28, 2023: -

S. No.	District	Lead Bank	Concerned Quarter	Expected date of Meeting
1	Bidar	State Bank of India (SBI)	Sept. & Dec.2022	
2	Kalaburagi	SBI	December 2022	

It has been observed that both DCC and DLRC meetings for the quarter ended December 2022 in Haveri was held beyond the prescribed timeline of 90 days from end of concerned

quarter. Controlling Head of bank concerned (Bank of Baroda) is advised to indicate reasons for delay and avoid such delays in future.

(iii) Further, banks and line departments of state government are advised to ensure representation of appropriate authority in the DCC/DLRC meetings. Percentage of absenteeism for meetings held for review of December quarter are as under. The data of absentee banks are yet to be received from Bidar, Chikkamagaluru, Chitradurga, Gadag, Hassan and Kalaburagi. Details of absentee banks are given in Annexure-46 [Page No.250-251].

District	Date of the meeting (Review of Quarter ended December 2022)	Total Number of banks in the district	Number of banks absent in the meetings	Absenteeism
Ballari	21.03.2023	33	5	15%
Belagavi	13.03.2023	38	7	18%
Bengaluru Rural	09.03.2023	37	14	38%
Bengaluru Urban	27.03.2023	42	14	33%
Chamarajanagar	27.02.2023	29	12	41%
Chikkaballapur	16.03.2023	25	2	8%
Dakshina Kannada	23.03.2023	38	1	3%
Davangere	16.01.2023	35	7	20%
Dharwad-Hubli	18.03.2023	39	20	51%
Haveri	06.04.2023	29	9	31%
Kolar	21.03.2023	25	3	12%
Koppal	07.03.2023	26	9	35%
Mandya	16.03.2023	31	8	26%
Mysuru	24.03.2023	45	8	18%
Ramanagara	06.03.2023	34	4	12%
Shivamogga	23.03.2023	37	3	8%
Tumakuru	21.03.2023	39	8	21%
Udupi	29.03.2023	30	7	23%
Uttara Kannada	27.03.2023	25	2	8%
Vijayapura	10.03.2023	32	6	19%
Yadgir	13.03.2023	25	2	8%
Vijayanagara	02.03.2023	31	6	19%

The number of line departments absent in the DCC / DLRC meetings have not been shared in the proceedings by all LDMs. SLBC may ensure that the LDMs indicate the same in the minutes in future. Data gathered from a few LDO reports is as under:

District	Date of the DCC/ DLRC meeting	List of absent Line Departments
Bengaluru Urban	27.03.2023	District Industries Centre, Social Welfare Department, Dr. Deveraj Urs Backward Classes Dev. Coprn, Bangalore Milk Producer Union Regional Sericulture Department, Horticulture Department, Agriculture Department
Dharwad-Hubli	18.03.2023	Fisheries, Horticulture, Sericulture, Handloom & textile, social welfare and corporation like kvic, slum board, RGHCL, KML, minority development corporation
Mandya	16.03.2023	Sericulture Dept, KVIC, DIC, Animal Husbandry, Social Welfare, Fisheries, Dr. Ambedkar Corp., BCM Corp, Mandya milk union, Tourism, Mandya Milk Union, BCWD
Ramanagara	06.03.2023	Agri dept, Horti, Sericulture, Dr. BR Ambedkar development corp, D. Devraj Urs backward dev corp, KMDC, KVIC, Skill Dev Dept, Town municipal Corp

SLBC is also requested to advise LDMs to collate data on absenteeism in BLBC meetings and controlling Offices of Lead Districts may take necessary steps to ensure adequate representation by banks

(iv) LDMs were advised to forward the meeting invitations sent to public representatives along with the notices forwarded to FIDD, Bengaluru for DLRC meetings. The same is now being shared, however only upon prompting by RBI. Ten districts (Bidar, Belagavi, Chamrajnagar, Chikkamagaluru, Chitradurga, Kolar, Koppal, Raichur, Ramanagara and Vijayanagara) are yet to forward the notices for previous six quarters' meetings. Controlling banks may ensure quick submission of the same and that the instruction is followed meticulously in future.

As per Para 2.2.6 of the Master Circular on Lead Bank Scheme, Lead Banks are required to fix the date of DLRC meetings with due regard to the convenience of the representatives of the public i.e. MPs/MLAs etc. It was observed that in 80% of the DLRC meetings the representatives of the public i.e. MPs/MLAs were absent. Participation of public representatives being the main differentiator between DCC and DLRC meetings, efforts may be made to invite elected members, preferably heads of local Panchayats/ wards to receive important feedback of representative of common people for whom this entire exercise is being conducted. This is medium risk para as per our recently concluded RBIA. Controlling Offices of Lead District Offices are advised to take suitable steps so that all DLRC meetings have presence of public representatives. SLBC may issue instructions to all LDMs.

b. Meetings of SLBC Sub-Committees

i. 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. The following meeting has not been conducted till date:

SI No.	Sub Committee	Convenor Bank	QE September 2022	QE December 2022
1	Retail Loan	Bank of Baroda	Not conducted	Not conducted

BOB may explain the reason for not holding the meeting for the quarters ended September and December 2022.

ii. SLBC Sub Committee on Recovery and Rehabilitation and Govt. Sponsored Schemes (convened by State Bank of India): Consequent to NAMCABS 2.0 workshop for bankers and Townhall meeting for MSME entrepreneurs in Gadag district, the four Lead Banks (SBI, BOB, UBI and Canara Bank) were advised to collate data on NPAs pertaining to PMEGP and share the account-wise details with loan sourcing Government Department of Gadag district. The details with respect to UBI have been shared with SLBC, KVIC-PMEGP division and SLBC sub-committee on recovery and rehabilitation vide e-mail dated 21.02.2023. SBI, BoB and Canara Bank may please update the status regarding sharing the data with Government Department. Further, all banks may share such data on all Govt. Schemes with Loan Sourcing department and recoveries therein may be discussed in SLBC sub-committee meeting on Recovery and Rehabilitation, so that the high NPA levels can be brought down in loans extended under various Government schemes. We request State Government to issue suitable instruction to these Government departments in facilitating recoveries. SLBC may collate data on recoveries effected every quarter out of such NPAs.

c. Expanding and Deepening of Digital Payment Ecosystem: -

Haveri and Yadgir districts had been identified for deepening of digital payment ecosystem in the state in September 2021 (19 months ago). The progress as on March 31, 2023 is as mentioned below. Banks whose performance (as on March 31, 2023) is below district level is given in Annexure-47 [age No.252].

Digital Coverage in Haveri (Nodal Bank: Bank of Baroda)				
	As on March 31, 2022	As on September 30, 2022	As on December 31, 2022	As on March 31, 2023
% of Eligible Savings Accounts	85.10%	94.76%	99.82%	99.83%
% of Eligible Current/Business Accounts	65.93%	78.67%	94.76%	98.44%
Digital Coverage in Yadgir (Nodal Bank: State Bank of India)*				
	As on March 31, 2022	As on September 30, 2022	As on December 31, 2022	As on March 31, 2023
% of Eligible Savings Accounts	77.14%	86.29%	90.13%	95.58%
% of Eligible Current/Business Accounts	71.64%	65.72%	74.18%	82.83%

* As on April 17, 2023 the Axis Bank, Canara Bank and Bank of Baroda have not submitted the data for the quarter ended March, 2023.

Nodal banks (SBI and Bank of Baroda) were advised to achieve 100% digitization by March 31, 2023 in the first meeting held on September 02, 2022. All the banks had agreed to achieve the target by October 31, 2022. The digitization level of Bank of Baroda is only 74.38% and even Canara Bank is 73.63% in Yadgir for Savings Account. Further, it is a matter of great concern that the percentage of digitization achieved in Current account by Bank of Baroda (33.87%), Punjab National Bank (40%) and State Bank of India itself (65.37%) in Yadgir is very low. As per RBI, Central Office, our state SLBC should identify

additional district for deepening of digital payment ecosystem in the 161st meeting. Kerala and Telangana have achieved 100% digitization of all districts in their state. Karnataka is lagging behind. All banks are advised to achieve 100% digitization both in Haveri and Yadgir.

In the last SLBC meeting, banks were advised to enhance digitization process through **UPI123PAY** for feature phone users on a large scale and SLBC was advised to monitor the progress in this area. SLBC may update the current status.

d. Delay in data submission 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. Further, in terms of letter FIDD.CO.LBS.No S96141/02.01.001/2021-22 dated August 25, 2021, SLBC convenor banks have been instructed to submit the quarterly MIS statement to the concerned ROs within 15 days from the end of the respective quarter.

Based on last meetings ATR, SLBC has written letters to ED of the banks with a request to advise their bank controlling offices to upload the data on time. However, the issue has not been resolved and several banks had not submitted data for March 2023 by due date. As on date (April 24, 2023), the five banks listed under are yet to upload the data.

- | | |
|-------------------------|-----------------|
| 1. Bank of Maharashtra | 2. Axis Bank |
| 3. Jammu & Kashmir Bank | 4. Bandhan Bank |
| 5. DBS Bank | |

In order to streamline data submission process and ensure submission of MIS returns in time, SLBC was advised to explore feasibility of extracting requisite data directly from member banks' CBS to eliminate interim data upload processes by banks. Further, delayed submission of various statements – Strengthening of Monitoring Information System (All-inclusive MIS), PRAGATI, Statement for Local Board meeting has been assigned risk rating in our RBIA audit. SLBC is, therefore, now advised to form a committee to streamline this data collection process and eliminate the risk of incomplete and unreliable data.

e. Annual Credit Plan (ACP) as on March 31, 2023:

(Amount in ₹ crore)			
Description	FY 2021-22	FY 2022-23	Growth
Priority Sector Target	2,92,392	3,30,223	12.94%
Ach.	2,18,856	293238	33.98%
Ach. %	74.85%	88.80%	13.95%
Non-Priority Sector Target	2,03,980	259483	27.21%
Ach.	3,62,755	466270	28.53%
Ach. %	177.84%	179.69%	1.85%

- (i) 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). ACP Achievements as on March 31, 2023 were 85.45% (priority sector) and 162.50% (non-priority sector). SLBC, in the 159th SLBC meeting, was requested to rationalise the anomaly of excessive targets for priority sector and lower target for non-priority sector during target setting for FY 2023-24. SLBC may comment on the same.

- (ii) Analysis of Bank category-wise achievements as on Mar 31, 2023 (based on the interim data provided) are as follows:

Category	Priority Sector Ach. %	Non-Priority Sector Ach. %
Public Sector Banks	74.23%	120.66%
Private Sector Banks	93.14%	219.58%
Regional Rural Banks	73.66%	51.14%
Small Finance Banks	803.35%	198.41%
Rural Cooperative Banks (StCBs and DCCBs)	138.46%	671.91%

The analysis indicates that Private Sector Banks, Small Finance Banks and Rural Cooperative Banks have performed relatively better than Public Sector Banks and Regional Rural Banks in achieving PSL targets. In the previous SLBC meeting, SLBC was requested to examine the trend of achievements of each bank for 3 years and suitably allocate targets. For example, SFBs may be given higher target for MSEs than giving target for medium enterprises. SLBC may please provide their comments.

- (iii) It is understood that banks set their internal annual target based on outstanding and SLBC sets ACP targets for disbursements only. This leads to branch focusing on outstanding rather than disbursements for priority sector segments. For ACP to be effective, the banks management / board needs to align target fixation with RBI norms as per Para 3.2(e) on Master Circular on LBS. SLBC needs to fix targets for both as per Para 3.3 on Master Circular on LBS. As stated therein, confirmation should be taken from the State controlling heads of the banks that they will be aligning their internal targets with targets set by SLBC, in terms of both disbursements and outstanding. SLBC is advised to confirm having done the same.
- (iv) 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 dropped to 73.06% (as on March 31, 2023 from 75.22% as on Dec 31, 2022. SLBC is advised to analyse reasons for significant decrease in CD ratio for March 2023 quarter, whereas 10% improvement is observed in achievement of ACP disbursement targets. All the stakeholders are again requested to work towards enhancing the CD of the state.

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

- (i) Four villages (Huvinahole, Hirehalli, Yarjanti and Salgar Basanthpur) of Karnataka had 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. Out of the 4 branches, 3 branches have been opened and SLBC vide email dated Dec 16, 2022 has informed that location change has been sought by Karnataka Grameen Bank (KGB) for opening of branch at Yalagatta Village instead of at Yarjanti. SLBC vide letter dated April 20, 2023 has advised KGB to complete the process of opening of branch at the earliest.

Tentative date of opening as per SLBC letter dated April 12, 2023 is June 30, 2023. KGB is advised to open the branch quickly as this delay has been assigned risk rating in recent RBIA.

- (ii) The Office of the Additional Chief Secretary to Government, Finance Department, Government of Karnataka (GoK) has vide letter no. FD-CAM/179/2022 dated September 28, 2022 had advised SLBC to explore the possibility of opening India Post Payment Bank (IPPB) branch or extension counter of Cooperative banks/ their branch in villages having population above 3000 or in the 122 identified villages. In this regard, SLBC vide letter dated January 07, 2023 to GoK, has stated that out of 122 villages, 18 are covered by brick-and-mortar branches and remaining 104 were covered by BCs. Out of 104 villages, 52 villages were covered by IPPB centres and for remaining 52 villages, SLBC has advised member banks to explore possibility of opening branches.

In the previous SLBC meeting, it was informed that out of 8 villages with population of more than 3000 and not having brick-and-mortar branches of a bank within 5 km radius, the IPPB centre in one village (Sambargi) was yet to be opened. There is a need to expedite the process of opening branch in that village. This has been assigned risk rating in our RBIA audit.

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

- (i) For enhancement of need based KCC/ doubling of income of farmers, it was suggested that a model farming plot in every village should be established. In this regard, a 'Lead Institution Scheme' was suggested by RBI to GoK for consideration vide letter dated Nov 24, 2022. GoK secretary, Finance Department had forwarded the scheme to Agriculture Department on December 08, 2022. The Agriculture department is requested to update the forum.
- (ii) RBI top management has instructed to bring population outside the ambit of the formal financial system into formal fold. In order to provide bouquet of financial services such as insurance, pension, etc., to this excluded segment of the society, it was suggested in 159th SLBC meeting that measures should be taken for formalization of rural finance. SLBC had taken up the matter with GoK and as GoK has stated that it does not have data on unbanked population, SLBC was advised in the 160th SLBC meeting to request Lead districts banks to conduct one survey each in one taluk to identify such population, utilising services of FLCs and CFLs. SLBC may update action taken.
- (iii) It is observed that only 13% of state GDP comes from agriculture whereas nearly 60% population depends on it. To ensure that share of agriculture in state GDP increases, NABARD may identify the districts lagging behind in agriculture infrastructure and having lower per capita income & credit for agriculture vis-à-vis their potential. Preference may be given to these districts while allocating RIDF and other developmental funds. Higher ACP targets may also be considered for such districts. Analysis of district-wise data received from NABARD of past three years has revealed the following:
- CD Ratio – Three districts have CD ratio less than 70% - Uttar Kannada, Udupi, Dakshin Kannada. 14 districts have CD ratio between 70-100% and 14 districts have CD ratio more than 100% with Haveri having highest CD ratio of 126.62.
 - Agriculture and Infrastructure – The top districts getting more support in this aspect are Vijayanagara, Shimoga and Davangere.
 - Micro Credit given – The top districts here are Tumkur, Gulbarga, Ballari.
 - Food producer organizations(FPOs) – The top districts are Yadgir, Uttar Kannada and Vijayanagar.
 - Per capita income – As per Economic Survey 2022-23, the top districts in terms of per capita income per person per lakh is Bangalore Urban, Dakshin Kannada and

Udupi irrespective of the fact that they are not getting highest allocation of agriculture, infrastructure, FPO or Micro credit.

Trend analysis for the various Financial years highlights the following aspect-

1. FPO was highest in 2020-21 (especially for Mysore) and thereafter decreasing trend was observed except for Kolar, Chikballapur and Belgaum in 2021-22 and for Bidar in 2022-23.
2. Micro credit decreased after 2020-21 except for Chitradurga and Chamrajnagar.
3. Agriculture and Infrastructure have increased over the years for Bagalkote, Gadag, Tumkur, Chikmagalur, Bangalore Urban and Davangere.

On analysis of the district wise ranking for CD ratio, Per Capita Income, allocation of funds for agri infra, FPO and micro credit, the following observations are made –

- Uttar Kannada, Udupi, Dakshin Kannada, Belgaum, Bangalore Rural, Dharwad, Chikballapur lack behind majority of above parameters.
- Gulbarga, Ballari, Chamrajnagar lack in Agriculture and FPO
- Micro credit lags behind in Mysuru and Bangalore Urban.

NABARD may consider scientific district wise allocation for especially income and credit deficient districts.

VI. Demonstration and Disruption at KGB

On March 29, 2023, information was received from local Police Station about demonstration by farmers under the leadership of Karnataka Rajya Raitha Sangha and Hasiru Sene, Karnataka in Freedom Park, Bengaluru. Prior to that they agitated in front of Karnataka Gramin Bank (KGB), Head Office in Ballari for about 100 days. The farmers' association submitted a memorandum primarily on settlement of farmers' loan extended by the bank. There were demonstrations at the same bank's Head Office in June – July 2022 which stopped after State and Local Government intervened on our request in EC meeting on RRBs held on July 8, 2022. State Government intervention in the matter is sought as such repetitive disruptions are impacting the functioning of the bank which is already struggling to reduce high NPAs.

VII. Micro, Small and Medium Enterprises

a. Onboarding of Government & Corporate Buyers on TReDS platform

(i) Till date, GoK has confirmed that only 7 state entities have registered under TReDS and 6 are not dealing with MSMEs. The status of remaining 85 Government Undertakings and Boards/Corporations is awaited despite many emails/letters sent, latest sent on March 06, 2023. State government is requested to update the forum.

As ROC, Bengaluru telephonically informed that they are not maintaining data on registration of eligible companies on TReDS platforms, the banks were advised to provide the status. Till date, 10 banks have furnished the data. Accordingly, of the 408 eligible companies, 94 companies have registered on at least one of the three TReDS platforms and 11 companies which have availed bank finance have not registered on any of the TReDS platforms. All other banks are advised to provide the requisite data.

(iii) The contact details of remaining eligible entities have again been sought from ROC Bengaluru vide our email dated January 12, 2023, so as to educate MSMEs on the benefits of onboarding on TReDS platform. A meeting to discuss the implementation of TReDS with select bank representatives, ROC and MSME-DFO was also held on January 24, 2023 at RBI Bengaluru. We are planning to hold series of familiarization programmes for onboarding of eligible Corporates and MSMEs on TReDS. Controlling offices of banks are also advised to instruct LDMs to create awareness about Trade Receivables Discounting System

(TReDS) and discuss the progress of onboarding eligible entities on TReDS in BLBC/ DCC meetings. SLBC is advised to invite ROC to the 161st SLBC meeting.

b. Popularization of CGTMSE scheme (As suggested by RBIA 2023)

One common major problem flagged by the participants in various Townhall Meetings on MSMEs is that banks are not giving loans without adequate collateral security/ guarantees and deny credit facility to the entrepreneurs in spite of various Central Government Schemes like CGTMSE and subsidies provided by the Government. The participants in all these meetings also suggested that CGTMSE schemes and various subsidy schemes required to be well popularized to help young and budding entrepreneurs and for awareness of bankers in some cases. It is observed that banks, as per data received from select banks for Empowered Committee on MSMEs, are not holding awareness camps for MSMEs (Para 5.5 of Master Direction on lending to MSME). SLBC may add agenda item on this subject and loans extended under CGTMSE.

c. Visit to a MSME Cluster –Textile Park, Burgaon Village, Nippani Taluk, Belagavi District

It was noted during MSME Cluster visit to Textile Park, Burgaon Village, Belagavi that UCO Bank, Banshankari Branch, Bengaluru had sanctioned on 23/11/2021 a Term Loan of Rs 310 lakhs to M/s Jahova Textiles, Plot No SPL C-148, Textile Park, Borgaon, Belgaum, Karnataka. However, till March 15, 2023, the date of visit, the bank did not disburse the sanctioned loan amount. The unit has already completed 75% of the building construction from own source of funding and has also ordered for machineries. As there is no banking facility surrounding the Textile Park, they have requested to provide at least one ATM inside the Textile Park and UCO bank to explain the reason for non-disbursement of sanctioned loan. The Branch Head, SBI, Shamanewadi Branch, informed that one BC has been operationalised in Burgaon Village from March 15, 2023. The Branch Head was advised to inform the BC to visit the Textile Park.

VIII. Market Intelligence Issues

a. Unauthorized lending in FINTECH

Banks were advised to report any unauthorized digital lending extended by unscrupulous lenders/ mushrooming of unauthorized fintechs noticed by them. SLBC has advised LDMs to discuss this aspect in DCC meetings and submit feedback for discussion in SLBC. SLBC is requested to provide an update in the matter.

b. Sharing of information with competent authorities

During the deliberations of the State Level Coordination Committee meetings (SLCC) meetings, it was brought to the notice that many banks are not responding/furnishing the required information promptly to the Competent Authorities and other Law Enforcement Agencies (LEA's). All the banks are advised to do the needful.

IX. Currency Management Issues

1. Constitution of Sub-Committee of SLBC on Security

With a view create a high-level platform where issues related to currency and its movement can be discussed at a frequent periodicity, a sub-committee of State Level Bankers' Committee (SLBC) was proposed to be constituted in the 158th meeting of the SLBC. Incidentally, similar decision was also taken in the State Level Security Committee (SLSC) meeting held on July 7, 2022 chaired by ACS (Home). We have pleasure to inform that the sub-committee has since been constituted at SLBC with State Bank of India as convener. As per the notification issued by Government of Karnataka, this sub-committee will be headed by Additional Director General of Police (Admin), GoK, Bengaluru. Periodic

meetings of the sub-committee will go a long way in addressing security of currency and its movement in the state.

2. Non-acceptance of ₹10 coins by KSRTC and BMTC staff:

Notwithstanding awareness efforts taken by the Reserve Bank towards acceptance of Rs 10/- coin for transaction and payment, we observe that shopkeepers, traders and common public continue to refuse acceptance and usage of Rs 10/- coins. As you are aware, coins are legal tender as per Section 6 of the Indian Coinage Act 2011 to the extent specified therein. Incidentally, we are also in receipt of complaints wherein non-acceptance of coins of Rs 10 by staff of BMTC and KSRTC has been highlighted.

While we have taken up the matter with KSRTC and BMTC, we request State Govt. (GoK) to issue directions in this regard to the district collectors / administration to take efforts so that instances of refusal to accept coins of Rs 10 can be addressed.

X. Integrated Public Tech Platform for Frictionless Credit

With an objective to leverage on the digitalization and to enable frictionless credit to all segments of public where rule-based lending is possible, the Reserve Bank of India (RBI) is developing an integrated Public Tech Platform for Finance (IPTPF) to which all the financial ecosystem players could connect seamlessly. Recently the pilot project of digital Kisan Credit Card was operationalised. The doorstep disbursement of loans in an assisted or self-service mode within a short time without any paperwork has evinced keen interest from the farmers. The KCC pilot project entailed that the digitised land records of the State to be made available through Application Programming Interface (API) with partner banks. As the IPTPF is at an advanced stage of completion and the user test is likely to start soon, the digitised land records of the State may also need to be made available to IPTPF. State Government was requested, vide ED's letter dated March 21, 2023 addressed to the Chief Secretary, to coordinate with Reserve Bank Innovation Hub (RBIH), a wholly owned subsidiary of RBI to facilitate integration of state level land records with the platform. State Government may update this forum.

XI. Special invitees to SLBC meetings

Academicians, researchers are to be invited occasionally to add value to the discussion and associate them with studies in accordance with the instructions contained in para 2.3.2(vi) of Master Circular on Lead Bank Scheme. Success stories of successful NGOs etc., were also to be presented as envisaged in para 2.3.2 (vii) of the Circular. It has been observed that special invitees were not being called in the SLBC meetings. SLBC to do the needful in this regard. To start with ROC and RXIL may be invited to 161st meeting.

AGENDA 12: NABARD AGENDA:

12.1: Entry of loan details for 2021-22 and 2022-23 in the KCC ISS portal (fasalrin.gov.in)

The GOI has developed an integrated portal for KCC-Interest Subvention Scheme in order to have a complete access to the granular data of farmers/borrowers of KCC including information about loans sanctioned and eligible interest subvention claims of the banks and to review and monitor the scheme progress & its utilization. All banks are to ensure submission of all the short term loans processed in 2021-22 and 2022-23 on the ISS portal / DBT platform latest by 31.05.2023.

12.2: Resumption of nationwide fisheries and AH KCC campaign.

Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying informed that the Nationwide Fishery KCC Campaign will resume from 1st May 2023 and will continue

till 31st March 2024 for providing Kisan Credit Card facility to all eligible Fishery and Animal Husbandry Farmers.

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

KCC data of AH and Fisheries 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.

12.4: Loans must be reported under districts where the end utilization takes place

It is observed that loans are reported under the sanctioning center rather than the districts where the end utilization takes place leading to reduced C:D ratio in the districts.

12.5: Support to Government of Karnataka under RIDF

NABARD has been supporting GoK in creating rural infrastructure covering Agriculture 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 from the RIDF tranche (I to XXVIII) are as indicated below:

(Rs. Crore)

Sn	Name of the Sector	No. of projects	Total Financial Outlay	Loan Sanctioned	Amount Disbursed
1	Agriculture and Allied	4996	2225.60	2072.91	1384.07
2	Bridges	1922	1289.86	1050.42	930.96
3	Irrigation	5233	5799.59	4919.84	4047.50
4	Roads	10720	7064.86	5755.14	5117.33
5	Social	21025	8083.12	5214.74	3600.59
	Total	43896	24463.03	19013.05	15080.45

12.6. Financial Inclusion Fund

1. Grant support is available for various schemes under Financial Inclusion Fund (FIF) from NABARD.

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
- 4. 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 13: KCC

13.1 KCC Loans – Disbursements & Outstanding:

[cards in lakhs] [Amount in crores]

KCC Target for 2022-23		Disbursement of KCC from April 2022 to March 2023		KCC Outstanding as on 31 st March 2023	
No. of Cards	Amount	No. of Cards	Amount	No. of Cards	Amount
53.83	81895.71	59.13	56825.28	48.58	61171.66

NOTE: The huge variation in KCC Outstanding's in comparison to KCC Disbursement is majorly due to the variation in figures of Apex Bank (Diff. in accounts = 1825191, Diff. in amount = 12247.89).

SLBC has written a letter to Agriculture Department and e-Governance 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 March 2023 is provided in the Annexure-15(Page No.113)

13.2 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 resumed nationwide AHDF KCC Campaign from 01st May 2023 to 31st March 2024** and the scheme is extended till **31st March 2024**. All the bankers and LDMS are requested to take note.

Progress under the campaign as on 07.04.2023 is given here below.

Parameters	Total no. of application received	Total no. of application accepted	Total no. of application sanctioned	Total no. of application rejected
KCC-AH	134107	132641	64233	68408
KCC-FISH	28477	27343	12729	14614
Total	162584	159984	76962	83022

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 -16 [page No.114-115]

All the banks have shown excellent performance under KCC AH & Fishery campaign launched by DFS.

KCC AH O/S as on 31.03.2023 amounts to **626.01** Crores for **158571** accounts.

KCC Fisheries O/S as on 31.03.2023 amounts to **204.13** Crores for **12753** accounts.

KCC Dairy loans sanctioned during the quarter and outstanding as on 31.03.2023 is provided in the Annexure -17 (page No.116)

Performance under KCC-Fisheries as on Mar 2023 is provided in Annexure -18 (page no.117)

13.3. Pledge financing for Agriculture Commodities through electronic- Negotiable Warehouse Receipt (e-NWR)

Warehousing Development and Regulatory Authority (WDRA) has been established under the Warehousing (Development and regulation) Act, 2007 for setting up a negotiable warehouse receipt system in the country, making Negotiable Warehouse Receipt (NWR) a prime tool of trade and regulation of warehouses.

e-NWR can facilitate easy pledge financing by Banks and other financial institutions. E-NWR also helps to save expenditure in logistics as stocks can be traded through multiple buyers without physical movement and can be even split for partial transfer of withdrawal. E-NWRS promote scientific warehousing for storage of agricultural goods and commodities. Member Banks are requested to give more impetus to this scheme and inform us the disbursement position as at 31.03.2023.

Letter from RBI is enclosed as Annexure - 19 (page No 118)

13.4. 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. 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.

13.5 Agriculture Infrastructure Fund (AIF):-

SLBC requests all member banks to guide applicants to get the help from District Resource Persons and to advise their branches and administrative offices to cover all activities coming under AIF scheme by routing the application through the AIF portal.

Progress under the scheme is given in the Annexure - 20 (Page No.119).

Agenda 14: Pradhan Mantri Fasal Bima Yojana(PMFBY):**Bank wise pending insurance claims status under PMFBY:-**

As on 17.04.2023, total 4375 no. of applications amounting to Rs. 6.22 Cr is pending for settlement under PMFBY due to NPCI payment failure and Blank Aadhar from different member Banks.

Total number of pendency has increased due to addition of new applications from Kharif 2022-23.

Out of total pending amount, 2.68 Cr (43%) is pending due to Blank Aadhar and non updation of Aadhar in NPCI portal from ICICI Bank.

As on 15.12.2022, ICICI Bank was having pendency of 2310 applications and 4.17 Cr of amount which has reduced to 1542 applications and 2.68 Cr amount i.e. reduction of around 36%.

PMFBY Bank-wise Payment Pendency as on 17.04.2023 is as under:

(Amt. in Lakhs).

Name of the Bank	Total pending Appl as on 15.12.2022	Total pending Amt. as on 15.12.2022	Total pending Appl as on 17.04.2023	Total pending Amt. as on 17.04.2023
Axis Bank Ltd.	192	41.47	621	160.68
Bank of India	37	2.02	39	2.17
Bank of Maharashtra	14	0.56	28	0.52
Canara Bank	218	22.86	403	22.74
Central Bank of India	6	0.45	7	0.58
Union Bank of India	61	3.69	56	3.02
DCB Bank	8	1.65	8	1.53
Federal bank	3	0.31	3	0.31
HDFC Bank Ltd	84	14.6	231	33.93
ICICI Bank Ltd.	2310	416.87	1542	268.66
IDBI Bank	4	0.22	6	0.1
Indian Bank	2	0.21	2	0.21
Indian Overseas Bank	25	1.94	32	1.93
Karnataka Bank	55	5.1	51	4.47
KVGB	271	26.49	211	23.6
Karnataka Grameena Bank	139	12.84	414	29.75
Kotak Mahindra Bank	3	0.12	6	0.2
Punjab National Bank	8	0.14	6	0.1
State Bank of India	388	40.54	426	50.04
Uco Bank	7	0.78	15	0.86
Bank of Baroda	244	20.11	268	17.38
Grand Total	4079	612.97	4375	622.83

Bank wise and year wise pendency for PMFBY payment as on 17.04.2023 is enclosed as Annexure 20A [page No.119A]

AGENDA 15. Banking statistics as on 31st March 2023:

15.1: Business figures under various parameters:

(Amt in Cr)

Particulars	March 2022	Dec 2022	March 2023	Y-o-Y – variance Mar 23 to Mar 22		Variation Mar 2023 over Dec 2022	
				Absolute	In %	Absolute	In %
Deposits	1311388	1311382	1411808	100420	7.66	100426	7.66
Advances	894941	986448	1038003	143062	15.99	51555	5.23
Total Business	2206329	2297830	2449811	243482	11.04	151981	6.61
Credit-Deposit Ratio	68.24	75.22	73.52	5.28		-1.7	
Total PSA	351165	374328	392945	41780	11.90	18617	4.97
% of PSA to Total Advances	39.24	37.95	37.86	-1.38		-0.09	
Agricultural Advances	170411	180762	192268	21857	12.83	11506	6.37
% of Agri. Adv. to Total Adv.	19.04	18.32	18.52	-0.52		0.2	
Advances to MSME	128161	137145	143047	14886	11.62	5902	4.30
% of MSME to Total Advances	14.32	13.90	13.78	-0.54		-0.12	
Sector	Particulars						
Deposits, Advances & CD Ratio	There is a Y-o-Y growth of 7.66% in Deposits and 15.99% in Advances. CD ratio of the state as on 31.03.2023 is 73.52%.						
Total PSA	There is a Y-o-Y growth of 11.90% in Total Priority Sector Advances.						
Agricultural advances	There is a Y-o-Y growth of 12.83% in in Agricultural Advances.						
MSME sector	There is a Y-o-Y growth of 11.62% in MSME Advances.						

NOTE: As DBS Bank have not updated the data for March quarter 2023 till date, the data for December Quarter 2022 was taken for consolidation.

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

15.2: Branch Network:

(in numbers)

Particulars	Dec 2022	Mar 2023	Variation of Mar. 23 over Dec 22
1. Rural	4269	4293	24
2. Semi-Urban	2707	2731	24
3. Urban (including Metro)	4902	4977	75
Total	11878	12001	123

In comparison to the Dec quarter 2022, there is an increase of 123 branches for the March quarter 2023.

NOTE: As DBS Bank has not updated the data for March quarter 2023 till date, the data for December Quarter 2022 was taken for consolidation.

Bank wise No. of bank branches in the state is provided in Annexure –21 (Page No 120)

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

Dist. name	Bank name	Merging Branch /Relocation	Acquiring Branch	Distance between branches	Remarks
Kolar	Kotak Mahindra Bank	Byrakuru Branch Closure	-	-	Kotak Mahindra Bank branch was converted to satellite office on 19.01.2004 due to merger business. They are having very less customer base. No SB accounts. it is not cost effective to run current branch. Existing 15 accounts holder served through their Mulbagal branch and they are digitally active. Already Karnataka Gramin Bank has full pledge branch in Byarakur village.
Kolar	South Indian Bank	Shifting of Alambadi branch	to Malur	15 km	Alambadi branch is located inside campus of M/s Christ Academy of Science & Management with a temporary set up without any strong room & other related infrastructure. Since last 6 years Alambadi branch is manned only by 2 staff. It is primarily facilitating fee collection and other business operations from the college. Already Canara Bank Sampangere branch is 0.20 km and Chikkathirupathi is 1.50 km and State Bank of India is 1.50 km and Indian Overseas Bank is 2 km from Alambadi village.
Hassan	Canara Bank	Shifting of Ibbedu	To Ibbedu	200 mts	Present branch premises is old and there is no strong room facility available.
Hassan	Canara Bank	Shifting of Yalahanka	To Yalahanka	200 mts	Present branch premises is old and there is no strong room facility available.
Hassan	Canara Bank	Shifting of Gonisomanahalli	To Gonisomanahalli	500 mts	Present branch premises is old.
Hassan	Canara Bank	Shifting of Ambuga	To Ambuga	300 mts	Present branch premises is old and there is no strong room facility available.
Hassan	Canara Bank	Shifting of Sathenahalli	To Sathenahalli	400 mts	Present branch premises is old and there is no strong room facility available.
Hassan	Canara Bank	Shifting of Anathi	To Anathi	250 mts	Present branch premises is old and there is no strong room facility available.
Hassan	Canara Bank	Shifting of Settihalli	To Settihalli	250 mts	Present branch premises is old.
Chamarajanagara	State Bank of India	Ponnachi	Vadake halla	12-15 kms	The branch premises is not located in proper building and there is no availability of new premises in current village. Attempt to robbery has taken place twice since inception. Branch is located in isolated place and there is no police station upto 25 km. Saturation in the branch business and potential for new business is very poor.

Hassan	Karnataka Bank	Bikkodu	Bikkodu	300 mts	Karnataka Bank Bikkodu branch current premises lease agreement got expired.
Hassan	Union Bank of India	Doddamandiganahalli	Hassan	1.3 kms	Union Bank of India Doddamandiganahalli branch is very close to their Hassan branch and the business area of these two branches are overlapping. To improve the profitability and operational efficiency. UBI is ready to appoint one BC point in Doddamandiganahalli branch to ensure proper customer service.
Hassan	State Bank of India	Kirisave	Hirisave	2 kms	State Bank of India, Kirisave branch customer base is limited in number and loss due to low business potential. The present business is Rs.8.76 crores and customers of Kirisave branch can be handled by Hirisave branch.

DCC / DLRC proceedings are provided in Annexure --22 (Page No. 121-174)

15.4: ATM Network:

(in numbers)

Particulars	Dec. 2022	Mar 2023	Variation of Mar. 23 over Dec. 22
1. Rural	2130	2169	39
2. Semi Urban	3487	3401	-86
3. Urban	11691	11408	-283
Total	17308	16978	-330

- ❖ The total number of ATMs has decreased from 17308 as on 31.12.2022 to 16978 as on 31.03.2023, thus showing a decrease of 330 ATMs during the quarter.

NOTE: As DBS Bank has not updated the data for March quarter 2023 till date, the data for December Quarter 2022 was taken for consolidation.

Bank wise No. of ATMs in the state is provided in Annexure -23 (Page no 175).

Agenda 15.5: 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
30.12.2022	901.13	800.14	88.8%
31.03.2023	911.39	810.77	88.9%

- All member banks are requested to sensitize the branches for further improving in Aadhar seeding.
- The Bank-wise Progress under Aadhar seeding of CASA accounts in Karnataka state as on 31.03.2023 is furnished in the Annexure -24 (page No. 176)

AGENDA 16A: 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 31.03.2023: Latest position on progress / achievements of various Govt. sponsored schemes are furnished in the Annexures: 25 (Page No.177-195A)

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.

16.1: PMEGP

TARGET AND ACHIVEMENT UNDER PMEGP IN KARNATAKA STATE DURING 2022-23 (As on 31.03.2023)									
(Projects and Employment in Nos.& M M Rs.In Lakhs.)									
STATE	TARGET			ACHIVEMENT			ACHIVEMENT IN %		
	PRO	M M	EMP	PRO	M M	EMP	PRO	M M	EMP
KARNATAKA	5215	15124.00	41720	5612	16106.92	44896	107	106	107
NOTE: The Percentage of Margin Money Utilization 106%									

TARGET AND ACHIVEMENT UNDER PMEGP FOR 2nd LOAN IN KARNATAKA STATE DURING 2022-23							
(Projects and Employment in Nos.& M M Rs.In Lakhs.)							
Status as on	TARGET			ACHIVEMENT			
	PRO	M M	EMP	PRO	M M	EMP	
31.03.2023	52	506.43	416	6	48.99	48	

All member banks are requested to look into the matter and arrange for sanction of maximum loans under PMEGP scheme, if otherwise in order. Performance under the scheme as on 31.03.2023 as Annexure No.26 (page no 196-197)

The percentage of NPA under PMEGP is 20.43%.

16.2: CREDIT FLOW TO MINORITY COMMUNITIES

16.2.1: Progress under finance to Minority Communities in the state

Amount Rs. In Crore

O/s as at 31.12.2022			O/s as at 31.03.2023		
No. of A/cs	Amount	% to total PSA	No. of A/cs	Amount	% to total PSA
2344795	37181	9.93	2459533	40763	10.37

NOTE: As DBS Bank has not updated the data for March quarter 2023, till date, the data for December Quarter 2022 was taken for consolidation.

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 March 2023 provided in Annexure -27 (Page No 198-205)

16.3: 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 March 2023 is as follows:

Name of the District	(Amount in Crs)					
	Bidar		Kalburgi		Dakshina Kannada	
	Dec. 22	Mar 23	Dec. 22	Mar 23	Dec. 22	Mar 23
O/s advances under Priority Sector Credit	6068.89	6381.07	10715.04	10209.56	22415.29	20458.09
Lending to Minority Community	915.78	918.78	1127.34	1218.30	7749.30	8102.34
% of Minority Community Lending to PSA	15.08	14.39	10.52	11.93	34.57	39

- Sufficient care to be 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 31.03.2023) of the FY 2022-23, various Banks in the state of Karnataka have disbursed Education loans to the tune of Rs 2059.28 Crores to 72767 accounts under both priority and non-priority segments.

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

Progress under Self Help Groups (SHG):

Agency	As at March 2023				
	Credit Linkage for March 2023 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 (Apr 22 – March 23) period (cumulative)
PSBs + PVTs	96114	2322.93	270104	18275.99	6.77
RRBs, Cooperatives & Other Banks	30192	1201.93	78540	2979.18	3.79
Total	126306	3524.86	348644	21255.17	6.10

NOTE: As DBS Bank has not updated the data for March quarter 2023, till date, the data for December Quarter 2022 was taken for consolidation.

Bank wise progress under SHGs is provided in Annexure - 28 (page no.206-207)

Progress under Joint Liability Groups (JLGs):

Agency	Balance O/S as on Dec 2022		Average finance per JLG Member (in lakhs)	Balance O/S as on March 2023		Average finance per JLG Member (in lakhs)
	No. of JLGs	Amount in Cr		No. of JLGs	Amount in Cr	
PSBs+PVTs	1608686	7058.96	0.44	1698638	7835.97	0.46
RRBs, Cooperatives and Small Finance Banks	1258941	4390.80	0.35	1316459	5004.38	0.38
Total	2867627	11449.76	0.40	3015097	12840.35	0.43

NOTE: As DBS Bank has not updated the data for March quarter 2023 till date, the data for December Quarter 2022 was taken for consolidation.

Bank wise progress under JLG-Bank linkage program as at March 2023 is given in Annexure- 29 (page No.208).

16.5.1: Progress in Stand Up India scheme as on 31.03.2023

Member banks have sanctioned 3860 SUI loans amounting to Rs. 778.08 Cr from 01.04.2022 to 31.03.2023.

(Nos. in actuals and Amount in crores)

Scheme	Sanctioned during Dec 2022 Quarter		Sanctioned during March 23 Quarter		Cumulative FY 2022-23	
	No. of A/Cs	Sanction Amt.	No. of A/Cs	Sanction Amt.	No. of A/Cs	Sanction Amt.
SC	193	33.02	176	31.24	514	99.22
ST	66	11.66	37	6.07	151	28.03
Women	850	162.98	1360	260.47	3195	650.83
Total	1109	207.84	1573	297.78	3860	778.08

Bank-wise and District wise details of sanctions and disbursements under SUI as on March 2023 is provided in Annexure -30. (page No.209-214) Further member banks are requested to share the outstanding as at end of each quarter, henceforth.

16.6: Progress in Sanctions under MUDRA scheme: [Amount in Crores]

Scheme	Dec-2022 Qtr		March-2023 Qtr		Cumulative FY 2022-23	
	No of A/cs	Amount Sanctioned	No of A/cs	Amount Sanctioned	No of A/cs	Amount Sanctioned
Shishu	867785	2751.65	1487341	5668.66	3846632	12721.41
Kishore	331642	4354.93	833249	9129.82	1652609	19378.72
Tarun	22369	2012.84	40116	4199.39	92825	8864.82
Total	1221796	9119.42	2360706	18997.87	5592066	40964.95

Member banks have sanctioned 5592066 MUDRA loans amounting to 40694.95 Cr from 01.04.2022 to 31.03.2023

Bank-wise, District, State wise sanctions and disbursements under MUDRA is given in annexure -31 (page no.215-219).

Karnataka state has secured number **4th 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.

16.7 Progress under PMFME scheme: Progress under PMFME scheme in the state of Karnataka as on 31.03.2023

Details	No of A/cs
Target for Karnataka State	3871
Application Submitted to Banks	3310
Sanctions/Under process	2637
Rejection	675
Cumulative Sanction	2095
Disbursement during FY	1643
Cumulative Disbursement	1742
% sanction during FY	68.07

Karnataka state has secured 3rd Place in PAN India.

District wise, bank wise and target and progress under PMFME scheme is provided in Annexure -32(Page No.220-221).

AGENDA 17: Position of sector wise NPAs:

17.1: Non-Performing assets position as on 31.03.2023:

(Amount in Crore)

Sl.	Sector	As on 31.12.2022		As at 31.03.2023			
		NPA Amt.	% of NPA	Acs - No.	NPA Amt.	Total Loan O/s Amt.	% of NPA
1	Agriculture	18737.09	10.37	971169	18608.67	192268.39	9.68
2	MSME	11350.55	8.28	312488	10906.64	143047.36	7.62
3	Housing	754.74	2.06	12991	640.91	36856.57	1.74
4	Education	538.74	8.80	21204	483.51	6112.05	7.91
5	Other Priority sector adv	772.11	5.62	149716	854.46	14660.61	5.83
6	Non priority sector NPA	18936.60	3.09	363230	17223.98	645058.40	2.67
7	Total NPAs	51089.80	5.18	1830798	48718.17	1038003.38	4.69

Bank wise and segment wise NPA position is provided in Annexure-33 (Page No 222-231).

17.2: Recovery of bank dues under PMEGP:

The PMEGP NPA position as at March 2023 is furnished here under:

(Amount in Crore)					
Balance O/S		NPA Level		% of NPA	
Dec 22	March 23	Dec-22	March 23	Dec-22	March 23
1213.95	1444.06	256.12	295.07	21.10	20.43

Bank-wise NPA level under the PMEGP schemes is furnished in Annexure – 33A (Page no.232). SLBC had requested all the member banks to share NPA details with KVIC, which had assured to assist in recovery. Few banks are yet to share the PMEGP data.

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

(Amount in lakhs)									
FY 2022-23 (for the quarter ending March 2023)	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
March 2023	56784	110587.36	8071	10190	6863	17565.47	57992	103211.86	28136

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 -34(Page no.233-234).

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

Particulars	Cumulative from 01.04.2022 to 31.03.2023		
	No. of Notices sent	Amount involved	Amount Recovered
SARFAESI	44935	522162	130815
DRT	14388	479095	23077
LOK Adalat	173276	168454	13965
Total	232599	1169711	167857

The Bank wise data is provided in Annexure - 35 (Page No.235). 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

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:

Sub-committee on **Retail loans meeting** for September and December 2022 are not conducted.

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

Agenda 23: State Level Security sub Committee (SLSC):-

With a view to discuss various aspects / modalities relating to constitution of the committee, a meeting was convened by Reserve Bank of India, Bengaluru on March 29, 2023 at RBI Bengaluru premises. The meeting was chaired by DGM, RBI, Bengaluru and attended by Convenor, SLBC, officials from SBI, LHO, Bengaluru besides officials of RBI, Bengaluru.

DGM, RBI, Bengaluru while delineating the objective and the way forward of the sub-committee stated that GoK has since nominated Additional Director General of Police (Admin), Police Head Quarter, Nrupathunga Road, Bengaluru to chair the Sub-Committee of SLBC on Security and convenor shall be State Bank of India.

All banks having presence in the State of Karnataka with 300 branches or more and maintaining at least one currency chest in the State of Karnataka are eligible to be a member. Issue Department, RBI, Bengaluru will be an invitee to the meeting.

Accordingly, at present 10 bankers are identified to be members namely, SBI, Canara Bank, Union Bank of India, Bank of Baroda, Karnataka Bank, Karnataka Gramin Bank, Karnataka Vikas Gramin Bank, HDFC Bank, ICICI Bank and Axis bank.

We request State Bank of India to update the latest position in this regard.

AGENDA 24:

24.1: 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 5,00,000 crore are issued (taking into account all components of ECLGS), whichever is earlier.

In our state, member Banks have sanctioned 373380 accounts with an amount of Rs 11198 crores under ECLGS scheme against total eligible amount of Rs 13015 crore as on 31.03.2023. Few banks are yet to share ECLGS data.

Summary on ECLGS Progress in Karnataka State as on 31.03.2023 is provided in Annexure 36 (page No 236.)

AGENDA 25 : Other Issues

25.1. 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.

Agenda 25.2: 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.

25.3: Performance by Banks under Annual Atal Pension Yojana (APY) Targets during FY 2022-23: (01.04.2022 to 31.03.2023)

Karnataka has achieved 85% of APY target set by PFRDA during FY 2022-23 upto 31.03.2023.

Bank Category	No. of branches as on 01.04.2022	Target by PFRDA per branch	Total Target	Performance by Banks	Achievement %
Major Banks	6486	80	518880	3,94,773	76 %
PVT Banks	1328	30	39840	25,227	63 %
RRB	1774	80	141920	1,72,713	122 %
Total	9588		700640	5,92,713	85 %

* 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 no.237-238) .

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

UIDAI, Bangalore has informed that as on 31.03.2023, 716 kits are active with 192665 Enrolments / updates in the last 30 days against 727 active kits with 203974 enrolments/updates in the last 30 days as on 31.12.2022.

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.239).

25.5: Expanding and Deepening of the Digital Payments Ecosystem:

RBI letter dated 03.01.2023, RBI advised SLBC Karnataka to identify new digital districts in consultation with stakeholders and prepare a time bound action plan for 100% digitization of the concerned districts.

SLBC request member banks to identify few more districts to implement digital deepening. In the steering committee it is identified Ramanagaram allotted to union Bank of India , Bengaluru Urban allotted to Canara Bank and Dharwad allotted to Bank of Baroda
RBI letter Ref FIDD.CO.LBS.No.S1416/02.01.014/2022-23 dated 03.01.2023 is provided in Annexure 39 [Page No.240]

AGENDA 26: Skill Development:

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

26.2: Status of RSETIs / RUDSETIs as on 31.03.2023 reported by sponsor Banks is as under:

Name of the Sponsoring Institution	No. of RSETIs	Target for 2022-23		(Quarterly) Achievements (as on 31.03.2023)		
		No. of Programmes	No of person needs to train	No of Programmes	No of person Trained	% Ach
RUDSETI	7	191	5516	227	5846	106
Canara Bank	11	305	8576	332	8689	101
State Bank of India	7	192	5358	224	5502	103
Union Bank of India	2	57	1576	65	1588	101
Bank of Baroda	2	52	1580	66	1572	99
Kotak Mahindra Bk	1	28	800	31	805	101
DCC Bank	1	30	900	35	935	104
Total	31	855	24306	980	24937	103

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

SI No.	Particulars	As on 31.03.2023 (Cum since inception)	During FY 2022-23
1	No. of training programs conducted	12640	980
2	No. of persons trained	355812	24937
3	No. of persons secured employment / self-employment	258764	9628
4	No. of trained persons credit linked	159025	5682

The progress achieved by RSETIs during the year is provided in the Annexure - 40 (page No.241).

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.

26.4. 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.

Now SLBC has been informed that, Tahasildar Ballari Taluk has recommended allotment of 1.00 acre of land for RSETI building construction. Letter from DC, Bellari addressed Secretary to Govt, Revenue Department is enclosed as annexure 42 [page No.242-243]

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

The total no. of calls received at the Helpdesk from April 2022 to March 2023 is 11464.

All member Banks are requested to popularize this Toll Free Number **180042597777** among their customers.

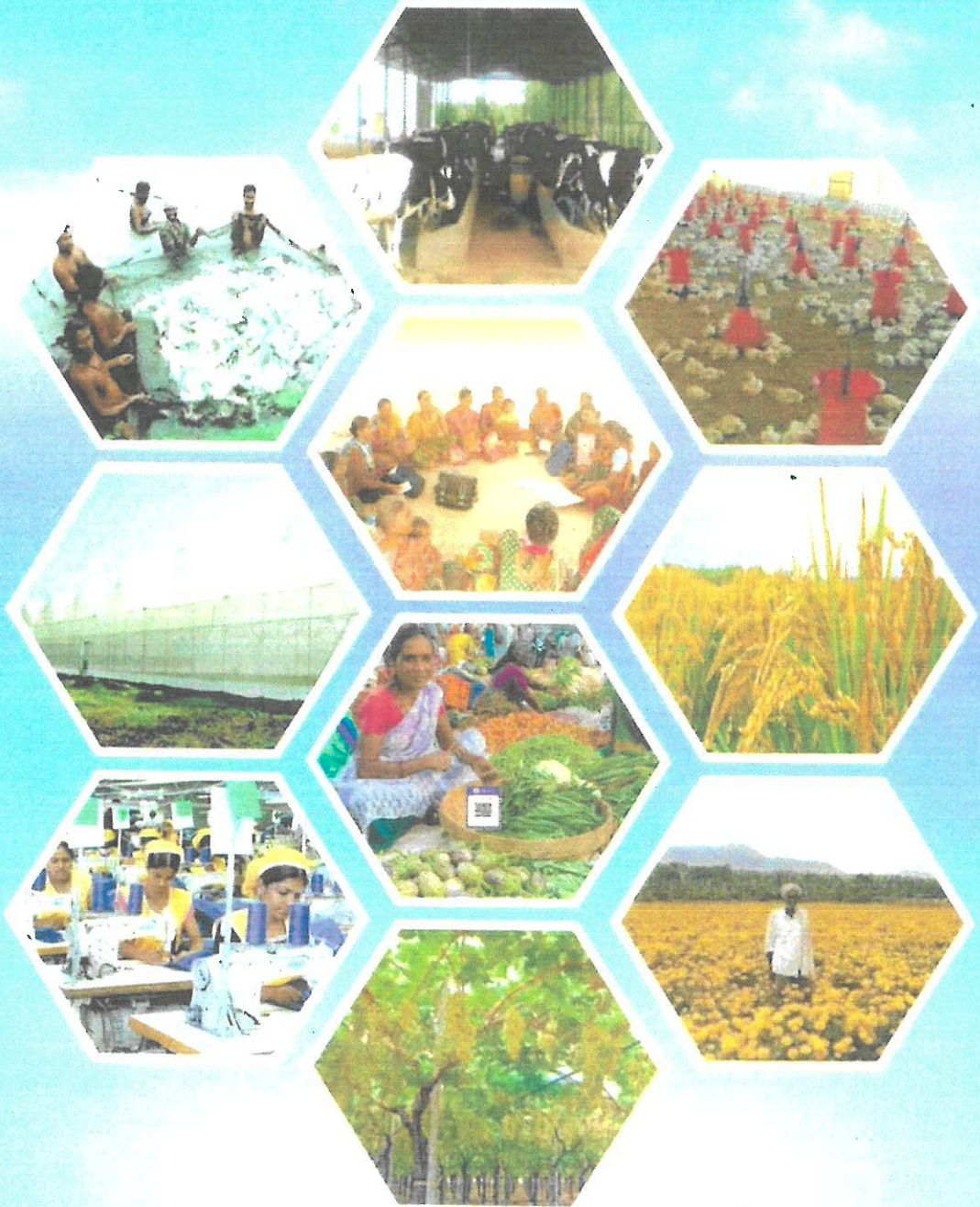
26.6 Fintech Adoption: -

FinTech has the potential to profoundly transform the financial landscape, provide consumers with a greater variety of financial products at competitive prices, and help financial institutions become more efficient. However, the increasing popularity of FinTechs could exacerbate data use, protection and privacy concerns. The rapid and transformational changes brought on by FinTech need to be monitored and evaluated so that regulators and banks can keep up with the underlying technological flux.

Communication received in this regard is enclosed as annexure 43. [Page No.244]

ಕರ್ನಾಟಕ ರಾಜ್ಯ ಮಟ್ಟದ ಬ್ಯಾಂಕರುಗಳ ಸಮಿತಿ
कर्नाटक राज्य स्तरीय बैंकर्स समिति

**STATE LEVEL BANKERS' COMMITTEE,
KARNATAKA**



ಸಂಯೋಜಕರು ಸಂಯೋಜಕ **CONVENOR**

ಕೆನರಾ ಬ್ಯಾಂಕ್ ಕೆನರಾ ಬೆಂಕಿ **Canara Bank**

ಕರ್ನಾಟಕ ರಾಜ್ಯ ಸರ್ಕಾರದ ಅಧೀನ

ಪಾಲಕ ಬ್ಯಾಂಕ್ ಆಗಿ ೧೯೭೫

A Government of India Undertaking

ACCIDENT SYNDICATE