

Agenda 1: Adoption of Minutes

The minutes of the 20th SLBC meeting held on 5th October, 2018 as furnished in **Annexure A** was circulated to the members of SLBC including RBI, NABARD, LDMs and Government Departments concerned.

These minutes may be taken as confirmed by the house as no requests for amendments / changes were received.

Agenda 2: Action Points of 20th SLBC Meeting – Action Taken Report

| No. | Action Point | Action by | Action initiated / status |
|-----|--|---------------------------------|---|
| 1 | Banks to align its business targets with ACP targets to avoid disparities in Credit Dispensation across major sectors, sub-sectors / industries at block, district and State level and confirm to SLBC | All Banks / LDMs | So far, 25 banks have submitted information on alignment and the other banks have been advised to submit the same immediately. The SLBC shall apprise the position of alignment of banks' business targets with their ACP targets once the information is received from all banks. |
| 2 | Under FIP to cover villages with population above 5000, banks which were allocated villages / centres for coverage, to cover the villages with Banking Outlets by 31 st October 2018. | Banks | Out of 28 villages pending to be covered as at 30.06.18, banks have since covered 9 more villages leaving 19 to be covered with banking outlets. |
| 3 | Banks allocated with villages for opening Brick and Mortar branches in the LWE district viz., Bhadradi-Kothagudem as directed by DFS to be completed by 31 st October 2018. | APGVB SBI | APGVB & SBI have informed that they are searching for suitable premises to open branches. |
| 4 | Targets allocated for covering every adult in household to be achieved by the banks under the campaign effective from 01.09.18 to 30.11.18. | Banks | Controllers of Banks confirmed having advised targets to the branches. Progress in achievement of the targets as at November 30, 2018 will be compiled in due course and reported in the next meeting. |
| 5 | Banks having active BCs to make them active / replace the inactive BCs immediately. | All Banks | Controllers of Banks confirmed that they are regularly monitoring the status of BCs. |
| 6 | Reconciliation issues in respect of PMFBY to be sorted out with the insurance companies immediately | All Banks / Insurance Companies | Agriculture Dept., GOT / SLBC has conducted a meeting of Banks / Insurance Companies to reconcile the pending entries. Banks / Insurance companies assured to reconcile on top priority. The matter was discussed in the Sub-Committee meeting on Agriculture |

| | | |
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| | | held on 19 th November 2018 also wherein banks have reported substantial improvement in reconciliation. |
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Agenda 3 : Review of Financial Inclusion Initiatives:

A meeting of the Sub-Committee of SLBC on Financial Inclusion was held on November 16, 2018 to review the progress in financial inclusion initiatives. Highlights of the position reviewed by the Sub-Committee are furnished in the following paragraphs.

a. Status of Opening CBS enabled banking outlets at the Unbanked Rural Centres:

i) Banking Network in Telangana State

The number of bank branches functioning in the State increased from 5,449 as on June 30, 2018 to 5,464 as on September 30, 2018. Of these, 5,464 bank branches 1,763 are in rural centres; 1,207 in semi-urban centres; 687 in urban centres and 1,807 in metro centres. The population group-wise and sector-wise distribution of bank branches is furnished in **Annexure-1**. During the current financial year, banks in Telangana have opened 69 branches in all.

ii. Roadmap for opening Brick and Mortar branches in villages with population more than 5000:

In terms of RBI circular FIDD.CO.LBS.BC.No.82/02.01.001/2015-16 dated December 31, 2015 to cover the villages with population above 5000 with a bank branch of a scheduled commercial bank, 255 centres were identified and allocated to banks for opening of brick and mortar branches. Reserve Bank of India vide circular DBR. No. BAPD. BC. 69/22.01.001/2016-17 dated May 18, 2017 and FIDD.CO.LBS.BC.No 31/02.01.001/2016-17 dated June 8, 2017 issued guidelines on "Rationalisation of Branch Authorisation Policy" as per which a Business Outlet (BO) is defined and banks were permitted to cover the Unbanked Rural Centres (URCs) with Banking Outlets. As at the end of Sept'18, 236 centres (Bank-wise & District Wise is enclosed as **Annexure-B**) were covered with BOs by banks and 19 centres to be covered, as under:

| No. | Bank | Village | Mandal | District |
|-----|---------------------|-----------------|---------------------|------------------------|
| 1 | Allahabad Bank | Kesaram | Suryapet | Suryapet |
| 2 | Andhra Bank | Thattepally | Peddemul | Vikarabad |
| 3 | Andhra Bank | Wardhamanu Kota | Jaji Reddi Gudem | Suryapet |
| 4 | Axis Bank | Kondrapolu | Dameracherla | Nalgonda |
| 5 | Bank of Baroda | Jangam | Narayanapur | Yadadri Bhuvanagiri |
| 6 | Bank of India | Chinriyala | Mellachervu | Suryapet |
| 7 | Bank of Maharashtra | Yepalasingaram | Huzurnagar | Suryapet |
| 8 | HDFC Bank | Chala Kurthy | Peddavura | Nalgonda |
| 9 | IDBI Bank | Thungapahad | Miryalaguda | Nalgonda |

| | | | | |
|----|-------------------------|------------------|---------------|---------------------|
| 10 | Indian Bank | Sirikonda | Mothey | Suryapet |
| 11 | Karur Vysya Bank | Dilawarpur | Dameracherla | Nalgonda |
| 12 | Punjab National Bank | Dardapalli | Palakurthi | Jangaon |
| 13 | State Bank of India | Polepalle | Bijinapalle | Nagarkurnool |
| 14 | State Bank of India | Ramachandrapuram | Bayyaram | Mahabubabad |
| 15 | State Bank of India | Thirthala | Khammam Rural | Khammam |
| 16 | Telangana Grameena Bank | Shetpalle | Lingampet | Kamareddy |
| 17 | Telangana Grameena Bank | Somarampet | Machareddy | Kamareddy |
| 18 | UCO Bank | Chimiryala | Kodad | Suryapet |
| 19 | Vijaya Bank | Peddireddigudem | Chandrugonda | Bhadradi Kothagudem |

Status of opening of bank branches in the unbanked identified centres in LWE Districts

Dept. of Financial Services, Ministry of Finance, Government of India during a Video Conference held on 4th August, 2018 advised that in respect of LWE districts, any uncovered villages/centres allocated to the banks are to be covered with Brick and Mortar Branches only.

In Telangana, Bhadradi Kothagudem is identified as LWE District and banks have a target of 16 villages to cover with brick and mortar branches. Progress shown hereunder:

| No. | Name of the Bank | No. of centres allocated | Remarks |
|-----|------------------------|--------------------------|--|
| 1 | Andhra Bank | 6 | All centres covered with Brick & Mortar branches |
| 2 | AP Grameena Vikas Bank | 5 | APGVB has opened a branch at Gollapalli, Nagineniprolu and Papakollu. Opening of brick & mortar branches is under progress at remaining 2 centres. |
| 3 | State Bank of India | 4 | The village Mandalapalli was already covered by other Bank(s). Opening of brick & mortar branches is under progress at the 3 centres. |
| 4 | Indian Overseas Bank | 1 | Branch opened on 14.09.2018 |

To hasten the pace of expansion of banking activities in affected LWE districts, DFS advised SLBC Convenor Banks to remain in constant touch with the State Administration regarding opening of branch/installation of ATMs, particularly at campuses of Central Paramilitary Forces stationed at such LWE affected districts. As on 30.09.18, there are 142 branches & 141 ATMs functioning in the district.

b. Review of operations of Business Correspondents

All Banks having Business Correspondents (BCs) to ensure that they work from a fixed point location with online interoperable devices so that the benefits of PMJDY can reach the beneficiaries.

Inactive Business Correspondents – hurdles/issues involved.

Banks to activate all inactive BCs to ensure that at least one BC is functioning at all identified unbanked areas. There are 4,183 BCs of various banks in the State. As per the latest data available 108 BCs are in active. Banks were advised to initiate immediate steps for activation or replacement of inactive BCs, wherever required.

| S.No. | Bank | No. of BCs | No of Active BCs | No. of Inactive BCs |
|-------|----------------------------|-------------|------------------|---------------------|
| 1 | State Bank of India (RRBs) | 2679 | 2658 | 21 |
| 2 | Andhra Bank | 691 | 663 | 28 |
| 3 | Syndicate Bank | 160 | 159 | 1 |
| 4 | Central Bank of India | 104 | 99 | 5 |
| 5 | Union Bank of India | 110 | 85 | 25 |
| 6 | Canara Bank | 62 | 62 | 0 |
| 7 | Indian Bank | 74 | 74 | 0 |
| 8 | Indian Overseas Bank | 74 | 74 | 0 |
| 9 | Kotak Mahindra Bank Ltd | 75 | 53 | 22 |
| 10 | Punjab National Bank | 27 | 27 | 0 |
| 11 | UCO Bank | 25 | 25 | 0 |
| 12 | Vijaya Bank | 23 | 23 | 0 |
| 13 | Corporation Bank | 20 | 20 | 0 |
| 14 | Bank of Baroda | 14 | 14 | 0 |
| 15 | Bank of India | 18 | 15 | 3 |
| 16 | HDFC Bank Ltd | 1 | 1 | 0 |
| 17 | Bank of Maharashtra | 10 | 7 | 3 |
| 18 | Dena Bank | 7 | 7 | 0 |
| 19 | Allahabad Bank | 7 | 7 | 0 |
| 20 | Karur Vysya Bank | 2 | 2 | 0 |
| | Grand Total | 4183 | 4075 | 108 |

Connectivity Issues: Connectivity issues were discussed in the 'Sub Committee meeting on FI' held on 16th November 2018.

Canara Bank said that they have connectivity issues with BSNL in few centers wherein land line feasibility is also not there, but issues were not resolved by BSNL despite regular persuasion. SLBC said that Term Cell, Ministry of Telecom, Govt of India is holding periodical meetings with the Telecom operators in the State and the connectivity issues are taken up for resolution in the meetings. Banks were advised to send the details of connectivity issues, if any to SLBC.

c. Progress in increasing digital modes of payment / ATMs & PoS, etc

As at the end of Sept., 2018, there are 8,962 ATMs functioning in the State of Telangana and 1,46,164 POS machines installed, by various banks at merchant points across the State.

d. Direct Benefit Transfer (DBT) / Aadhaar Seeding and Authentication

Banks in the State have opened 92,79,430 PMJDY accounts so far. Out of these accounts, 70,29,543 accounts (75.83%) were Aadhaar Seeded and Rupay Cards were issued to 72,63,371 accounts (78.35%). Bank-wise / district-wise data is enclosed as **Annexure C & D**.

Aadhaar Seeding/authentication is discussed in Sub Committee meeting on FI. Banks together have 390.63 lakh operative Savings Bank accounts in the State and 79% of the accounts are seeded with Aadhaar and whereas 90% of the accounts are seeded with mobile numbers.

Banks felt that in view of the recent Supreme Court Ruling, Aadhaar seeding cannot be insisted by banks and seeding is done wherever customers have voluntary requested.

Social Security / Insurance Schemes launched by Govt. Of India

- i. Pradhan Manthri Surkasha Bima Yojana an accident insurance scheme.
- ii. Pradhana Manthri Jeevan Jyothi Bima Yojana, a life insurance scheme.
- iii. Atal Pension Yojana - pension scheme.

Bank-wise Enrolment of Social Security Schemes is enclosed as **Annexure E**

The progress made by banks (sector-wise) in the State as on 30.09.18 is furnished hereunder:

| Bank Type | PMSBY | PMJJBY | APY | Total |
|----------------|---------|---------|--------|---------|
| Public Sector | 4025656 | 1089006 | 335559 | 5450221 |
| Private Sector | 619869 | 146237 | 34164 | 800270 |
| RRB | 1191036 | 622296 | 86870 | 1900202 |
| Coop. | 164564 | 76208 | 0 | 240772 |
| Grand Total | 6001125 | 1933747 | 456593 | 8391465 |

e. Financial Literacy Initiatives**Financial Literacy Centres (FLCs) – Position as on 30.09.18**

| Particulars | No. of FLCs |
|--|-------------|
| No. of FLCCs operating in the District Head Quarters | 33 |
| No. of FLCCs operating in Divisional Head Quarters | 25 |
| No. of FLCCs operating in Rural Areas | 20 |
| Total FLCCs functioning in the State of Telangana | 78 |
| Banks | No. of FLCs |
| Telangana Grameena Bank | 4 |
| AP Grameena Vikas Bank | 5 |
| Andhra Bank | 1 |
| AVA (Promoted by SBI; TGB & APGVB) | 11 |
| Dist Co-op Banks | 57 |
| Total | 78 |

No new FLCs were opened during the quarter under review.

Availability of Standardized Financial Literacy Material of RBI at FLCs

As advised by Reserve Bank of India, Standardised literacy material was made available to all the FLC counsellors. The material is also made available in SLBC website, www.telanganaslbc.com.

Controlling offices of banks are requested to advise the counsellors to make use of the standardized financial literacy material.

The brief performance of the FLCs during the quarter under review is:

- 78 FLCCs are functioning in the state.
- 258 special camps and 491 specific camps were conducted by FLC / FLCCs during the quarter and 481 camps during the financial year.
- Rural branches in the State have conducted 2,947 camps during the quarter and 5,308 camps during the financial year.

Details of camps conducted is enclosed as **Annexure F**

At Rural Self Employment Training Institutes in the State, financial literacy material is made available and literacy sessions are made part of sessions in the training schedule.

Agenda 4: Review of Credit Disbursement by Banks:

The meeting of the Sub-Committee on Agriculture, as also that of the Sub-Committee on MSMEs was held on November 19, 2018 to review the credit flow to Agriculture, MSMEs and other priority sectors. Highlights of the position reviewed by the Sub-Committee are furnished in the following paragraphs.

Banking at a Glance / Priority Sector lending as on 30.09.18

(Rs. In cr)

| No. | Particulars | O/s as on | RBI Norm | Compliance |
|------|---|-----------|----------|------------|
| | | 30.09.18 | | |
| 1 | Total Deposits | 431367.51 | | |
| 2 | Total Advances | 508987.74 | | |
| 3 | Credit Deposits Ratio (%) (RBI Norm 60%) | 117.99% | | |
| 4 | Total Priority Sector Advances | 158493.81 | 40.00% | 32.98% |
| | Of which | | | |
| A | Agriculture advances | 65985.99 | 18.00% | 13.73% |
| i. | Of which: small & marginal farmers | 27796.98 | 8.00% | 5.78% |
| B | Non-farm Sector / MSMEs | 58421.11 | | |
| i. | Of which: Micro enterprises | 21881.74 | 7.50% | 4.55% |
| ii. | Small Enterprises | 22516.00 | | |
| iii. | Medium Enterprises | 14023.37 | | |
| C | Export Credit | 137.29 | | |
| D | Others' under Priority Sector Advances | 33949.42 | | |
| | Of which | | | |
| i. | Educational Loans | 3165.16 | | |
| ii. | Housing Loans | 26029.75 | | |
| iii. | Social Infrastructure | 38.96 | | |
| iv. | Renewable Energy | 126.63 | | |
| v. | Others | 4588.92 | | |
| 5 | Out of Priority Sector Advances - Finance to: | | | |
| i. | Advances Weaker Sections | 41513.29 | 10.00% | 8.64% |
| ii. | Advances to Women | 28321.82 | 5.00% | 5.89% |
| iii. | Advances to SC/ST | 12606.39 | | |
| iv. | Advances to Minorities | 11214.78 | | |
| v. | SHGs | 10605.60 | | |

- ✦ As at the end of Sept., 2018, total deposits of the Banks in the State are at Rs. 4,31,367.51 cr and advances are at Rs. 5,08,987.74 cr.
- ✦ Deposits have registered a growth of Rs. 14,402.35 cr and advances Rs. 23,182.132 cr during the quarter under review. (July-Sept 2018).
- ✦ During the Current FY 2018-19, Banks together have registered a growth of Rs. 18,422.07 cr in deposits and Rs. 28,454.92 cr in Advances. (Apr.18-Sept.2018).
- ✦ Banks in the State have registered a CD Ratio of 117.99%

Achievement of Annual Credit Plan 2018-19: Position as on 30.09.18 (Rs. In cr)

| S.No | Particulars | Achievement during | | Target 2018-19 | Achievement during | | % |
|------|--|--------------------|-----------|----------------|----------------------|----------------------|--------|
| | | 2016-17 | 2017-18 | | 01.04.18 to 30.06.18 | 01.04.18 to 30.09.18 | |
| 1 | Short Term Production Loans | | | | | | |
| a | Kharif | 15205.40 | 21025.90 | 25496.53 | 6850.95 | 19671.76 | 77.15 |
| b | Rabi | 13456.07 | 10384.67 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 28661.47 | 31410.57 | 25496.53 | 6850.95 | 19671.76 | 77.15 |
| 2 | Agriculture Term Loans | 6143.27 | 7320.07 | 11421.85 | 3437.90 | 8261.73 | 72.33 |
| 3 | Agriculture Infrastructure | 234.39 | 391.02 | 2102.70 | 164.67 | 298.07 | 14.18 |
| 4 | Agr. Ancillary activities | 2374.03 | 3261.07 | 2044.55 | 1720.02 | 2382.40 | 116.52 |
| 5 | Total Agriculture | 37413.16 | 42382.73 | 41065.63 | 12173.54 | 30613.96 | 74.55 |
| 6 | Micro & small, Medium Enterprises | 20221.46 | 26542.24 | 21381.22 | 14852.16 | 19743.83 | 92.34 |
| 7 | Others' under priority Sector Advances | 4734.82 | 5786.83 | 13303.07 | 2196.60 | 3709.83 | 27.89 |
| | Of which | | | | | | |
| a | Education Loans | 525.34 | 401.02 | 1798.33 | 113.75 | 303.30 | 16.87 |
| b | Housing Loans | 2795.94 | 4000.88 | 6011.23 | 1727.91 | 2949.65 | 49.07 |
| c | Others | 1413.54 | 1384.93 | 5493.51 | 354.94 | 456.88 | 8.32 |
| 7 | Export Credit | 62.72 | 46.16 | 0.00 | 22.44 | 29.42 | 0.00 |
| 8 | Total Priority Sector Advances | 62432.16 | 74757.96 | 75749.92 | 29244.74 | 54097.04 | 71.42 |
| 9 | Non-Priority Sector Advances | 78957.84 | 125959.66 | 43985.65 | 33348.29 | 66300.92 | 150.73 |
| 10 | Total Credit Plan | 141390.00 | 200717.62 | 119735.57 | 62593.03 | 120397.96 | 100.55 |

- ✦ Banks together disbursed Priority Sector loans of Rs. 54,097.04 cr. and achieved 71.42% of annual targets.
- ✦ Under Short Term Production loans, Rs. 19,671.76 cr. was disbursed achieving 77.15% of targets.
- ✦ Term loans to agriculture including allied activities; Infrastructure and Ancillary activities were disbursed to the extent of Rs. 10,942.20 cr achieving 70.28% of targets.
- ✦ Amount disbursed to Agriculture sector was at Rs. 30,613.96 cr and banks achieved 74.55% of annual targets.
- ✦ MSME loans totalling to Rs. 19,743.83 cr were disbursed by banks achieving 92.34% of annual targets.
- ✦ Amount disbursed to 'Other priority sector advances' was at Rs. 3,709.83 cr and banks achieved 27.89% of annual targets.

- ✦ Education loans amounting to Rs. 303.30 cr were disbursed by banks achieving 16.87% of annual targets.
- ✦ Housing loans amounting to Rs. 2,949.65 cr were disbursed by banks achieving 49.07% of targets.
- ✦ Banks together disbursed total loans (Priority & non-priority) of Rs. 1,20,397.96 cr. achieving 100.55% of annual targets.

* RBI Norm for computation of priority sector targets/sub-targets achievement is based on the ANBC or Credit Equivalent Amount of Off-Balance Sheet Exposures, whichever is higher, as on the corresponding date of the preceding year. However, in the absence of availability of ANBC, it is calculated on the total advances outstanding as on 31.03.2018.

Credit flow to Agriculture

Total Agriculture: Sector-wise / Category-wise as on 30.09.18

(Rs. in Crores)

| Sector | Targets | Achievement | Category | Targets | Achievement | % Achievement |
|----------------------|-----------------|-----------------|----------------|-----------------|-----------------|---------------|
| Public Sector Banks | 24881.06 | 15991.92 | Crop Loans | 25496.53 | 19671.76 | 77.15 |
| Private Sector Banks | 3335.55 | 6813.02 | Term Loans | 11421.85 | 8261.73 | 72.33 |
| Regional Rural Banks | 8329.63 | 4847.34 | Infrastructure | 2102.70 | 298.07 | 14.18 |
| Cooperative Banks | 4519.39 | 2961.67 | Agr. Ancillary | 2044.55 | 2382.40 | 116.52 |
| Total | 41065.63 | 30613.95 | Total | 41065.63 | 30613.95 | 74.55 |

- ✦ Under Short Term Production loans, Rs. 19,671.76 cr. was disbursed achieving 77.15% of targets.
- ✦ Term loans to agriculture including allied, Infrastructure and ancillary activities amounting to Rs.10,942.22 cr. disbursed achieving 70.28% of targets. The disbursals almost doubled when compared to Rs.5,179 cr. achieved as on 30th Sept 2017.
- ✦ Amount disbursed to Agriculture sector was at Rs. 30,613.96 cr and banks achieved 74.55% of annual targets. Total disbursals also are higher when compared to a level of Rs.26,205 cr.

Short Term Crop Production Loans

(Rs. in Crores)

| Category | Kharif Season | | | Rabi Season | | |
|----------------------|-----------------|-----------------|--------------|-----------------|-------------|--------------|
| | Target | Achievement | % | Target | Achievement | % |
| Public Sector Banks | 15128.26 | 11766.98 | 77.78 | 10085.53 | 0.00 | 0.00% |
| Private Sector Banks | 1697.13 | 1239.28 | 73.02 | 1131.42 | 0.00 | 0.00% |
| Regional Rural Banks | 5423.88 | 3918.15 | 72.24 | 3615.93 | 0.00 | 0.00% |
| Cooperative Banks | 3247.26 | 2747.34 | 84.60 | 2164.85 | 0.00 | 0.00% |
| Total | 25496.53 | 19671.75 | 77.15 | 16997.73 | 0.00 | 0.00% |

Under Short Term Crop loans:

- ✦ Public sector banks have disbursed Rs. 11,766.88 cr and achieved 77.78% of Kharif Targets.
- ✦ Private sector banks have disbursed Rs. 1,239.28 cr and achieved 73.02% of Kharif Targets.
- ✦ RRBs have disbursed Rs. 3,918.15 cr and achieved 72.24% of Kharif Targets.
- ✦ Co-operative Banks have disbursed Rs. 2,747.34 cr and achieved 84.60% of Kharif Targets.

Agri. Term Loans including Allied, Infrastructure & Ancillary Activities (Rs. in Crores)

| Sector | Target | Achievement | % |
|----------------------|-----------------|-----------------|--------------|
| Public Sector Banks | 9752.80 | 4224.94 | 43.32 |
| Private Sector Banks | 1638.42 | 5573.73 | 340.19 |
| Regional Rural Banks | 2905.75 | 929.19 | 31.98 |
| Cooperative Banks | 1272.13 | 214.33 | 16.85 |
| Total | 15569.10 | 10942.20 | 70.28 |

Under Total Term Loans (Term Loans including allied; Infrastructure & Ancillary activities)

- ✦ Public sector banks have disbursed Rs. 4,224.94 cr and achieved 43.328% of Annual Targets.
- ✦ Private sector banks have disbursed Rs. 5,573.73 cr and achieved 340.19% of Annual Targets.
- ✦ RRBs have disbursed Rs. 929.19 cr and achieved 31.98% of Annual Targets.
- ✦ Co-operative Banks have disbursed Rs. 214.33 cr and achieved 16.85% of Annual Targets.

Dairy Entrepreneurship Development Scheme (DEDS) as on 30.09.18

Outstanding loans to 23,371 borrowers under DEDS scheme were at Rs.213.72 cr. During the quarter banks disbursed an amount of Rs.33.38 cr to 2,059 beneficiaries.

Pledge Finance against Warehouse Receipts

So far, Banks in the state extended credit to 866 beneficiaries to the tune of Rs.332.01 cr towards Pledge Finance against Warehouse Receipts. During the quarter, an amount of Rs. 7.36 cr were disbursed to 99 units.

Joint Liability Groups (Bhoomi Heen-Kisan)

Banks so far, financed 17,095 Joint Liability Groups with an outlay of Rs.1,322.36 cr. During quarter, banks in the state disbursed an amount of Rs. 9.50 cr to 829 JLGs.

Outstanding, Overdues & NPAs under Agriculture sector as on 30.09.18 (Rs. in Crores)

| Category | Outstandings | | Overdues | | | Non-Performing Assets | | |
|----------------------------------|----------------|-----------------|----------------|-------------------------|--------------|-----------------------|----------------|-------------|
| | No. of a/cs. | Amount | No. of a/cs. | O/s in Overdue Accounts | % | No. of a/cs. | Amount | % |
| Short Term Crop Production Loans | 5017520 | 43680.14 | 1560913 | 13323.91 | 30.50 | 345672 | 2568.03 | 5.88 |
| Agri. Term Loans | 696437 | 15990.82 | 187629 | 3947.73 | 24.69 | 125922 | 1823.69 | 11.40 |
| Agri. Infrastruc-ture | 6757 | 1199.29 | 2143 | 345.39 | 28.80 | 694 | 110.32 | 9.20 |
| Ancillary activities | 5528 | 5115.73 | 1331 | 472.29 | 9.23 | 985 | 317.53 | 6.21 |
| Total Agriculture | 5726242 | 65985.99 | 1752016 | 18089.32 | 27.41 | 473272 | 4819.57 | 7.30 |

Overdues in Agriculture segment

- 30.50% of Short Term Crop Loan outstandings are overdues in the books of the banks.
- 21.36% of Agriculture Term Loan incl. Allied activities; Agri. Infrastructure; Agri. Ancillary Activities outstandings are overdues .
- Overdues in total agriculture advances constitute 27.41% of outstandings. Overdues increased by 20.42% when compared to the quarter ended June 2018.

NPAs in Agriculture segment

- 5.88% of short term crop loan outstandings are NPAs in the books of the banks.
- 10.09% of Agriculture Term Loan incl. Allied activities; Agri. Infrastructure; Agri. Ancillary Activities outstandings are NPAs.
- NPAs in total agriculture advances are at 7.30%. NPAs increased by Rs.1,278.24 Cr. (35.16%) when compared to the quarter ended June 2018.

a. Lending towards Government sponsored schemes:

Credit Flow under DAY-NRLM Scheme :

| Outstanding | | Disbursement Up to 30.09.18 | | Overdues | | | NPAs | | |
|-------------|---------|-----------------------------|---------|-------------|---------|-------|-------------|--------|------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 385326 | 9184.50 | 94778 | 2762.66 | 47291 | 1741.20 | 18.95 | 25488 | 392.65 | 4.27 |

- ❖ As at the end of Sept., 2018, loan outstandings of banks to 3,85,326 groups are at Rs.9,184.50 cr
- ❖ Banks disbursed Rs. 1,887.00 cr to 64,471 groups during the quarter and Rs.2762.66 cr. to 94,778 groups upto the quarter. Disbursals upto the quarter are higher by 70% when compared to Sept., 2017. (Rs.1,608.32 crs)
- ❖ Overdues at Rs.1,741.20 cr constitute 18.95% of outstandings.
- ❖ NPAs at Rs. 392.65 cr constitute 4.27% of outstandings.
- ❖ Bank-wise details are enclosed as **Annexure 22**.

Credit Flow under DAY-NULM Scheme:

| Outstandings | | Disbursement upto 30.09.18 | | Overdues | | | NPAs | | |
|--------------|---------|----------------------------|--------|-------------|--------|-------|-------------|--------|------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 73574 | 1421.10 | 28548 | 636.47 | 13252 | 205.89 | 14.49 | 5362 | 76.12 | 5.36 |

- ❖ As at the end of Sept., 2018, outstanding loans by banks to 73,574 groups are at Rs.1,421.10 cr.
- ❖ During the quarter under review, Banks disbursed Rs.412.03 cr to 20,011 groups during the quarter and Rs.636.47 crores to 28,548 groups upto the quarter.
- ❖ Overdues at Rs.205.89 cr constitute 14.49% of outstandings.
- ❖ NPAs at Rs. 76.12 cr constitute 5.36% of outstandings.
- ❖ Bank-wise details are enclosed as **Annexure 23**.

Credit Flow under MUDRA Scheme : (As on 09.11.2018)

| Particulars | Shishu | | Kishore | | Tarun | | Total | | Target | Achievement |
|-------------|--------|--------|---------|---------|-------|--------|--------|---------|---------|-------------|
| | A/cs | Amt. | A/cs | Amt. | A/cs | Amt. | A/cs | Amt. | Amt. | % |
| All Banks | 240837 | 666.35 | 70486 | 1340.54 | 9463 | 727.94 | 320786 | 2734.83 | 6242.59 | 43.81% |

- ❖ As at the end of Sept., 2018, banks sanctioned loans to 3,20,786 beneficiaries with an outlay of Rs.2,734.83 cr, achieving 43.81% of annual targets.
- ❖ Banks so far have sanctioned an amount of Rs.943.42 cr to 2,27,450 women beneficiaries.
- ❖ Rs.1,661.11 cr sanctioned to 2,52,963 New Enterprises
- ❖ Rs.113.33 cr sanctioned to Minority community enterprises.

- ❖ Bank-wise / district-wise details are enclosed an **Annexure G**

Credit Flow under PM-STAND UP INDIA Scheme :

| No. of Sanctions | Women | SC | ST | Amount sanctioned |
|------------------|-------|-----|-----|-------------------|
| 4063 | 2915 | 826 | 322 | 933.21 |

- ❖ As at the end of Sep'18, banks sanctioned loans to 4,063 borrowers with an outlay of Rs.933.21 cr.
- ❖ Under Stand-Up India scheme, banks have sanctioned to 2,915 women beneficiaries.
- ❖ Banks have sanctioned to 826 SC beneficiaries.
- ❖ Banks have sanctioned to 322 ST beneficiaries.
- ❖ Bank-wise / district-wise details are enclosed an Annexure 'H'

Credit Flow under DRI Scheme:

- ❖ As at the end of Sept., 2018, outstanding credit to 15,317 beneficiaries is at Rs.26.98 cr.
- ❖ Overdues at Rs. 8.32 cr constitute 30.84% of outstandings.
- ❖ NPAs with an amount of Rs. 5.02 cr constitute 18.61% of outstanding.

Credit Flow under PMEGP Scheme:

The performance of banks under PMEGP as on 31.10.18:

During the year 2018-19, achievement in no. of projects is 731 (25.21%) with Margin Money investment of Rs.24.92 cr (34.38%) against a target of 2,900 projects and Margin Money outlay of Rs.72.51 cr.

b. Flow of Credit to MSMEs and affordable Housing

Micro, Small & Medium Enterprises (MSME): Priority Sector (Rs. in Crores)

| Particulars | Outstanding as on 31.03.2017 | | Outstanding as on 31.03.2018 | | Outstanding as on 30.09.2018 | |
|-------------------------------------|------------------------------|-----------------|------------------------------|-----------------|------------------------------|-----------------|
| | A/c. | Amt. | A/c. | Amt. | A/c. | Amt. |
| Micro Enterprises | 615980 | 19982.77 | 775916 | 22701.27 | 841153 | 21881.74 |
| Small Enterprises | 103045 | 18644.08 | 233219 | 22490.37 | 308245 | 22516.00 |
| Total SME | 719484 | 38626.85 | 1009135 | 45191.64 | 1149398 | 44397.74 |
| % of Micro Enterprises to total MSE | 85.61% | 51.73% | 76.89% | 50.23% | 73.18% | 49.29% |
| % of Small enterprises to total MSE | 14.39% | 48.27% | 23.11% | 49.77% | 26.82% | 50.71% |
| Medium Enterprises (ME) | 95431 | 7488.43 | 132524 | 11040.09 | 203085 | 14023.37 |
| % of ME to total MSME advances | 11.71% | 16.24% | 11.61% | 19.63% | 15.02% | 24.00% |
| Total MSME advances | 814915 | 46115.28 | 1141659 | 56231.73 | 1352483 | 58421.11 |

Micro, Small & Medium Enterprises (MSME): Non-priority Sector (Rs. in Crores)

| Particulars | Outstanding as on 31.03.2017 | | Outstanding as on 31.03.2018 | | Outstanding as on 30.09.2018 | |
|-------------------------------------|------------------------------|----------|------------------------------|----------|------------------------------|----------|
| | A/c. | Amt. | A/c. | Amt. | A/c. | Amt. |
| Micro Enterprises | 281612 | 11668.58 | 293092 | 4837.85 | 388727 | 6190.37 |
| Small Enterprises | 459720 | 19461.05 | 525426 | 6251.67 | 617573 | 6687.62 |
| Total SME | 741332 | 31129.63 | 818518 | 11089.52 | 1006300 | 12877.99 |
| % of Micro Enterprises to total MSE | 37.99% | 37.48% | 35.81% | 43.63% | 38.63% | 48.07% |

| | | | | | | |
|-------------------------------------|---------------|-----------------|---------------|-----------------|----------------|-----------------|
| % of Small enterprises to total MSE | 62.01% | 62.52% | 64.19% | 56.37% | 61.37% | 51.93% |
| Medium Enterprises (ME) | 6820 | 7753.81 | 14413 | 15479.27 | 11016 | 19547.57 |
| % of ME to total MSME advances | 0.91% | 19.94% | 1.73% | 58.26% | 1.08% | 60.28% |
| Total MSME advances | 748152 | 38883.44 | 832931 | 26568.79 | 1017316 | 32425.56 |

Micro, Small & Medium Enterprises (MSME): Priority & Non-priority Sector (Rs. in Crores)

| Particulars | Outstanding as on 31.03.2017 | | Outstanding as on 31.03.2018 | | Outstanding as on 30.09.2018 | |
|-------------------------------------|---------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|-----------------|
| | A/c. | Amt. | A/c. | Amt. | A/c. | Amt. |
| Micro Enterprises | 897592 | 31651.35 | 1069009 | 27539.12 | 1229880 | 28072.12 |
| Small Enterprises | 563224 | 38105.13 | 758645 | 28742.04 | 925818 | 29203.62 |
| Total SME | 1460816 | 69756.48 | 1827654 | 56281.16 | 2155698 | 57275.73 |
| % of Micro Enterprises to total MSE | 61.44% | 45.37% | 58.49% | 48.93% | 57.05% | 49.01% |
| % of Small enterprises to total MSE | 38.56% | 54.63% | 41.51% | 51.07% | 42.95% | 50.99% |
| Medium Enterprises (ME) | 102251 | 15242.24 | 146937 | 26519.36 | 214101 | 33570.95 |
| % of ME to total MSME advances | 6.54% | 17.93% | 7.44% | 32.03% | 9.03% | 36.95% |
| Total MSME advances | 1563067 | 84998.72 | 1974591 | 82800.52 | 2369799 | 90846.68 |

- SME advances grew by Rs.3,355.47 cr (11.69%) and stood at Rs.57,275.74 cr. (No. of accounts grew by 2,25,591)
- During the quarter under review, advances to Medium Enterprises grew by Rs. 3,164.79 cr (8.59%) and stood at Rs. 33,570.95 cr. (No. of account grew y 16,939)
- MSME segment grew by Rs. 6,520.26 cr (11.40%) and stood at Rs. 90,846.69 cr during the quarter under review.

PM Task Force Recommendations:

| Compliance to PM Task Force Recommendations | Norm % | Actual % |
|---|--------|----------|
| Banks are advised to achieve a 20 percent year-on-year growth in credit to micro & small enterprises (Sept'17 – Sept' 18) | 20 | -- |
| 10 percent annual growth in the number of micro enterprise accounts | 10 | 15.05% |
| 60 percent of MSE advances should go to the micro enterprises. Allocation of 60% of the MSE advances to the micro enterprises is to be achieved in stages | 60 | 49.01% |

Overdues in MSMEs as on 30.09.2018

| S. No. | Particulars | Overdues-Priority | | | Overdues-Non-Priority | | | Overdues-Priority & Non-Priority | | |
|--------|-------------|-------------------|----------|------------------|-----------------------|---------|------------------|----------------------------------|----------|------------------|
| | | A/c. | Amt | % to Outstanding | A/c. | Amt | % to Outstanding | A/c. | Amt | % to Outstanding |
| 1 | Micro | 189384 | 4438.02 | 20.28% | 26319 | 325.83 | 5.26% | 215703 | 4763.86 | 16.97% |
| 2 | Small | 26059 | 5975.39 | 26.54% | 227 | 50.79 | 0.76% | 26286 | 6026.17 | 20.64% |
| 3 | Total MSE | 215443 | 10413.41 | 23.45% | 26546 | 376.62 | 2.92% | 241989 | 10790.03 | 18.84% |
| 4 | Medium | 4595 | 3305.96 | 23.57% | 13880 | 1000.01 | 5.12% | 18475 | 4305.97 | 12.83% |
| 5 | Total MSME | 220038 | 13719.37 | 23.48% | 40426 | 1376.63 | 4.25% | 260464 | 15096.01 | 16.62% |

Priority Sector:

- Overdues under total MSE segment advances constitute 23.45% of its outstandings.
- Overdues under Medium enterprises constitute 23.57% of its outstandings.
- Overdues under total MSME segment constitute 23.48% of its outstandings.

Priority & Non-Priority

- Overdues under total MSE segment advances constitute 18.84% of its outstandings.
- Overdues under Medium enterprises constitute 12.83% of its outstandings.
- Overdues under total MSME segment constitute 16.62% of its outstandings.

NPAs in MSME segment

| S. No. | Particulars | NPAs-Priority | | | NPAs-Non-Priority | | | NPAs-Priority & Non-Priority | | |
|--------|-------------|---------------|---------|------------------|-------------------|--------|------------------|------------------------------|---------|------------------|
| | | A/c. | Amt | % to Outstanding | A/c. | Amt | % to Outstanding | A/c. | Amt | % to Outstanding |
| 1 | Micro | 105451 | 2515.72 | 11.50% | 18750 | 172.41 | 0.61% | 124201 | 2688.14 | 9.58% |
| 2 | Small | 14907 | 2846.86 | 12.64% | 71 | 10.40 | 0.04% | 14978 | 2857.26 | 9.78% |
| 3 | Total MSE | 120359 | 5362.58 | 12.08% | 18821 | 182.82 | 0.32% | 139180 | 5545.40 | 9.68% |
| 4 | Medium | 2496 | 1773.19 | 12.64% | 404 | 487.36 | 1.45% | 2900 | 2260.55 | 6.73% |
| 5 | Total MSME | 122855 | 7135.78 | 12.21% | 19225 | 670.17 | 0.74% | 142080 | 7805.95 | 8.59% |

Priority

- NPAs under total MSE segment advances constitute 12.08% of its outstandings.
- NPAs under Medium enterprises constitute 12.64% of its outstandings.
- NPAs of total MSME segment constitute 12.21% of its outstandings

Priority & Non-Priority

- NPAs under total MSE segment advances constitute 9.68% of its outstandings.
- NPAs under Medium enterprises constitute 6.73% of its outstandings.
- NPAs of total MSME segment constitute 8.59% of its outstandings

Housing for All (Urban) under Pradhan Mantri Awas Yojana (PMAY): Housing for All:

- ❖ In order to expand institutional credit flow to the housing needs of urban poor, PMAY (Urban) credit linked subsidy component as a demand side intervention. Interest subsidy will be credited upfront to the loan account of beneficiaries through Primary Lending Institutions resulting in reduced effective housing loan and Equated Monthly Installment (EMI). The Net Present Value (NPV) of the interest subsidy will be calculated at a discount rate of 9 %.

i) Credit Linked Subsidy Scheme for EWS/LIG

- ❖ Beneficiaries of Economically Weaker section (EWS) and Low Income Group (LIG) seeking housing loans from Banks, Housing Finance Companies and other such institutions would be eligible for an interest subsidy at the rate of 6.5% for a tenure of 20* years or during tenure of loan whichever is lower.
- ❖ The credit linked subsidy will be available only for loan amounts up to Rs 6 lakhs and additional loans beyond Rs. 6 lakhs, if any, will be at nonsubsidized rate. Credit linked subsidy would be available for housing loans availed for new construction and addition of rooms, kitchen, toilet etc. to existing dwellings as incremental housing. The carpet area of houses being constructed under this component of the mission should be up to 30 square meters and 60 square meters for EWS and LIG, respectively in order to avail of this credit linked subsidy. The beneficiary, at his/her discretion, can build a house of larger area but interest subvention would be limited to first Rs. 6 lakh only.

ii) Credit Linked Subsidy Scheme for MIG

- ❖ The newly launched CLSS for MIG covers two income segments in the MIG viz. Rs.6,00,001 to Rs.12,00,000 (MIG-I) and Rs.12,00,001 to Rs.18,00,000 (MIG-II) per annum. In the MIG-I, an interest subsidy of 4% has been provided for loan amounts up to Rs.9 lakh while in MIG-II, an interest subsidy of 3% has been provided for loan amount of Rs.12 lakh. The interest subsidy will be calculated at 9% NPV over maximum loan tenure of 20 years or the actual tenure, whichever is lesser. Housing loans above Rs. 9 lakh and Rs. 12 lakh will be at non-subsidized rates.
- ❖ CLSS for MIG will support acquisition/ construction of house (including re-purchase) of 90 square meters and 110 square meters carpet area as per income eligibility. Housing and Urban Development Corporation (HUDCO) and National Housing Bank (NHB) have been identified as Central Nodal Agencies (CNAs) to channelize this subsidy to the lending institutions and for monitoring the progress of this component. Under the Mission, beneficiaries can take advantage under one component only.

c. Crop Insurance under PMFBY

Prime Minister Fasal Bhima Yojana

State Level Co-ordination Committee on Crop Insurance (SLCCCI), Govt. of Telangana has circulated the minutes on PM Fasal Bhima Yojana for Rabi 2018-19 season for implementation of 'village as Insurance Unit' for one major crop of the district and other crops are covered under Mandal as Insurance Unit Scheme". The Committee has identified 11 crops including Sesamum under PMFBY to be implemented during Rabi 2018-19. The details are as under:

Crops for Rabi 2018-19 under PMFBY:

| S.No. | Crop | S.No. | Crop |
|-------|-----------|-------|------------|
| 1 | Rice | 6 | Bengalgram |
| 2 | Jowar (U) | 7 | Groundnut |
| 3 | Maize | 8 | Sunflower |
| 4 | Greengram | 9 | Chillies |
| 5 | Blackgram | 10 | Onion |
| | | 11 | Sesamum |

Major Crop in each district for implementation of 'Village Insurance Unit' for Rabi 2018-19 under PMFBY. Areas notified under PMFBY for Telangana State are as under.

| No. | Name of the District | No. of crops | Crops notified under | |
|-----|---------------------------|--------------|--------------------------------|---|
| | | | Village made as Insurance unit | Mandal / Mandals / District made as Insurance Unit |
| 1 | Adilabad | 3 | Bengalgram | Jowar, Maize |
| 2 | Komaram Bheem | 4 | Jowar | Rice, Greengram, Bengalgram |
| 3 | Mancherial | 2 | Rice | Maize |
| 4 | Nirmal | 5 | Maize | Rice, Jowar, Bengalgram, Sesamum |
| 5 | Nizamabad | 6 | Rice | Maize, Bengalgram, Onion, Sesamum |
| 6 | Jagtial | 6 | Rice | Maize, Greengram, Blackgram, Groundnut, Sesamum |
| 7 | Peddapalli | 2 | Rice | Maize |
| 8 | Jayashankar Bhoopalapalli | 6 | Rice | Maize, Greengram, Blackgram, Groundnut, Red Chillies |
| 9 | Bhadradi | 5 | Rice | Maize, Greengram, Groundnut, Red Chillies |
| 10 | Mahabubabad | 7 | Rice | Jowar, Maize, Greengram, Blackgram, Groundnut, Red Chillies |
| 11 | Warangal Rural | 4 | Maize | Rice, Groundnut, Red Chillies |
| 12 | Warangal Urban | 2 | Rice | Maize |
| 13 | Karimnagar | 3 | Rice | Maize, Groundnut |
| 14 | Rajanna Sircilla | 2 | Rice | Maize |
| 15 | Kamareddy | 4 | Rice | Jowar, Maize, Bengalgram |
| 16 | Sangareddy | 5 | Rice | Jowar, Maize, Bengalgram, Onion |
| 17 | Medak | 6 | Rice | Jowar, Maize, Bengalgram, Onion |
| 18 | Siddipet | 5 | Rice | Maize, Groundnut, Sunflower, Bengalgram |
| 19 | Janagaon | 3 | Rice | Maize, Groundnut |
| 20 | Yadadri | 1 | Rice | |
| 21 | Medchal / Malkajigiri | 1 | Rice | |
| 22 | Rangareddy | 4 | Rice | Maize, Groundnut, Bengalgram |
| 23 | Vikarabad | 5 | Rice | Jowar, Groundnut, Bengalgram, Onion |
| 24 | Mahaboobnagar | 3 | Rice | Jowar, Groundnut |
| 25 | Jogulamba Gadwal | 5 | Bengalgram | Rice, Jowar, Maize, Groundnut |
| 26 | Wanaparthy | 3 | Groundnut | Rice, Blackgram, Bengalgram |
| 27 | Nagarkurnool | 2 | Groundnut | Rice |
| 28 | Nalgonda | 2 | Rice | Groundnut |
| 29 | Suryapet | 2 | Rice | Groundnut |
| 30 | Khammam | 4 | Rice | Maize, Greengram, Groundnut |

Restructured Weather Based Crop Insurance Scheme (RWBCIS) under PMFBY:

It has been notified Mango Crop in all the districts of Telangana under RWBCIS for Rabi-2018-19 season. To include Hailstorm as risk for Mango crop, add-on cover of additional premium has to be paid which works out to 10% extra. However, to consider hailstorm as optional and add-on cover

risk only under RWBCIS for Rabi 2018-19. No new Crops notified for Rabi 2018-19 season under PMFBY.

Cut-off dates for Loanee and non-Loanee farmers:

To maintain seasonality discipline, the following cut-off dates for loanee and non-loanee farmers for Rabi-2018-19:

| No. | Crop | Cut-off date |
|-----|--|--------------|
| 1 | Rice, Jowar, Blackgram, Sunflower, Greengram, Groundnut, Redchilli, Onion, Sesasum | 31.12.2018 |
| 2 | Maize | 15.12.2018 |
| 3 | Bengalgram | 30.11.2018 |
| 4 | Mango (RWBCIS) | 15.12.2018 |

As per the operational guidelines of the scheme, the State has been divided in to six clusters. The details are as follows

| Cluster | Name of the Districts |
|-------------|---|
| Cluster I | Adilabad, Mancherial, Komarambheem (Asifabad), Jayashakar Bhupalapally), Siddipet |
| Cluster II | Nirmal, Nizamabad, Kamareddy, Yadadri, Rangareddy |
| Cluster III | Peddapalli, Karimnagar, Jagityal, Rajanna Sircilla, Janagaon |
| Cluster IV | Khammam, Nalgonda, Suryapet, Sangareddy, Medak |
| Cluster V | Bhadradi, Warangal Urban, Warangal Rural, Wanaparthy, Nagarkurnool |
| Cluster VI | Medchal-Malkajigiri, Mahabubnabar, Jogulamba-Gadwal, Vikarabad, Mahabubabad |

d. Grant of Education Loans:

Credit Flow to Education Loans:

| Category | Outstanding | | Disbursement | | Overdues | | | NPAs | | |
|--------------|-------------|---------|--------------|--------|-------------|--------|-------|-------------|--------|------|
| | No. of a/c. | Amount | No. of a/c. | Amount | No. of a/c. | Amount | % | No. of a/c. | Amount | % |
| Priority | 64193 | 3165.16 | 8383 | 303.30 | 14128 | 560.04 | 17.69 | 5226 | 125.10 | 3.95 |
| Non-priority | 14168 | 1268.82 | 1241 | 85.07 | 801 | 116.88 | 9.21 | 260 | 34.22 | 2.70 |
| Total | 78361 | 4433.98 | 9624 | 388.37 | 14929 | 676.92 | 15.27 | 5486 | 159.32 | 3.59 |

- ❖ As at the end of Sept., 2018, banks have extended credit to 78,361 beneficiaries with an outlay of Rs. 4,433.98 cr.
- ❖ During the quarter under review, banks have disbursed an amount of Rs. 227.86 cr to 5,224 beneficiaries
- ❖ Overdues at Rs. 676.92 cr constitute 15.27% of outstandings.
- ❖ NPAs at a level of Rs. 159.32 cr constitute 3.59% of outstandings.

Credit Flow to Housing Sector (General):

| Category | Outstanding | | Disbursement | | Overdues | | | NPAs | | |
|--------------|-------------|----------|--------------|---------|-------------|---------|-------|-------------|--------|------|
| | No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| Priority | 292213 | 26029.75 | 30512 | 2949.65 | 60005 | 4755.58 | 18.27 | 39743 | 434.70 | 1.67 |
| Non-priority | 461683 | 31526.79 | 10143 | 4431.21 | 14346 | 2208.14 | 7.00 | 1172 | 373.17 | 1.18 |
| Total | 753896 | 57556.54 | 40655 | 7380.87 | 74351 | 6963.72 | 12.10 | 40915 | 807.87 | 1.40 |

- ❖ As at the end of Sept., 2018, banks extended credit to 7,53,896 beneficiaries with an outlay of Rs. 57,556.54 cr.
- ❖ During the quarter under review, banks have disbursed an amount of Rs. 4,035.39 cr to 18,681 beneficiaries
- ❖ Overdues at Rs. 6,963.72 cr constitute 12.10% of outstandings.
- ❖ NPAs with an amount of Rs. 807.87 cr constitute 1.40% of the Housing Loans outstandings.
- ❖ During the quarter under review, overdues and NPAs have declined by Rs. 46.99 cr and Rs.128.32 cr respectively.

Credit flow to others:

Credit Flow to Weaker Sections:

| Outstanding | | Disbursement Up to 30.09.18 | | Overdues | | | NPAs | | |
|-------------|----------|-----------------------------|---------|-------------|---------|-------|-------------|---------|------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 3871887 | 41513.29 | 955793 | 8643.72 | 820792 | 7154.40 | 17.23 | 233547 | 1567.83 | 3.78 |

- ❖ As at the end of Sept., 2018, outstanding credit to 38,71,887 weaker section borrowers is at Rs.41,513.29 cr.
- ❖ During the quarter under review, banks have disbursed an amount of Rs. 4,967.63 cr to 6,27,036 borrowers
- ❖ Overdues at Rs. 7,154.40 cr constitute 17.23% of outstandings.
- ❖ NPAs at a level of Rs. 1,567.83 cr constitute 3.78% of outstandings.

Credit Flow to Women:

| Outstanding | | Disbursement Up to 30.09.18 | | Overdues | | | NPAs | | |
|-------------|----------|-----------------------------|---------|-------------|---------|-------|-------------|---------|------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 2340326 | 28321.82 | 540717 | 6547.21 | 601426 | 6535.34 | 23.07 | 195920 | 1216.65 | 4.29 |

- ❖ As at the end of Sept., 2018, outstanding credit to 23,40,326 women beneficiaries is at Rs.28,321.82 cr.
- ❖ During the quarter under review, banks have disbursed an amount of Rs. 3,479.83 cr to 3,39,640 beneficiaries.
- ❖ Overdues at Rs. 6,535.34 cr constitute 23.07% of outstandings.
- ❖ NPAs at a level of Rs. 1,216.65 cr constitute 4.29% of outstandings.

Agenda 5: Doubling of Farmers' Income by 2022

I. Background

The Hon'ble Prime Minister Shri Narendra Modi shared the vision of doubling farmers' income with the nation at his Bareilly address on 28th February, 2016. In the Union Budget 2016-17, the Hon'ble Finance Minister announced to Double Farmers' Income by the year 2022. Credit being an enabling factor, has a crucial role to play in driving farmers income.

II. Seven Pronged Strategy to achieve Doubling of Farmers' Income

- Big focus on irrigation with large budgets, with the aim of “per drop, more crop”
- Provision of quality seeds and nutrients based on soil health of each field
- Large investments in warehousing and cold chains to prevent post-harvest crop losses
- Promotion of value addition through food processing
- Creation of a national farm market and removing distortions
- Introduction of a new crop insurance scheme to mitigate risks at affordable cost
- Promotion of ancillary activities like poultry, beekeeping and fisheries

III. Benchmarking of Income by Dalwai Committee on ‘Doubling Farmers’ Income by the year 2022’

In April 2016, the Govt. of India (GoI) constituted an eight-member inter-ministerial Committee headed by Sh. Ashok Dalwai, the then Additional Secretary, Ministry of Agriculture, GoI (currently CEO, National Rainfed Area Authority) to prepare a blueprint for the Doubling of Farmers’ Income by 2022. The Committee calculated the state-wise benchmark income for the base year 2015-16 on the basis of the state-wise net state domestic product (NSDP) growth rate in real terms (at 2011-12 prices) for the period 2012-13 to 2015-16.

Average Annual Income:

The average annual income for the year 2015-16 in Telangana vis-à-vis all India is indicated as under:

| Particulars (Amount in Rs) | Telangana | All India |
|---|-----------|-----------|
| Average Annual Income of agricultural HH in 2015-16 at 2011-12 prices | 64,746 | 70,108 |
| Average Annual Income of agricultural HH in 2015-16 at current prices | 86,291 | 96,703 |

Growth rate envisaged:

The growth rate envisaged to achieve doubling of farmers’ income by 2022-23 for Telangana vis-vis All India is as below:

| Particulars | Telangana | All India |
|---|-----------|-----------|
| Average Annual Income of agricultural HH in 2015-16 at current prices (Rs.) | 86,291 | 96,703 |
| Deviation from All India mean income (%) | (-) 10.77 | - |
| Increase in income required (%) | 110 | 100 |
| Target Real Annual Growth Rate (2016-17 to 2022-23) in Farm Income (%) | 10.90 | 9.2 |
| Target Real Annual Growth Rate (2016-17 to 2022-23) in Non-Farm Income (%) | 6.90 | 3.3 |

Share of Contributory factors:

Contribution of the above seven factors for Telangana to the income growth based on analysis of past data (2003-04 to 2013-14) as well as keeping in mind the various initiative taken up by Govt. since the year 2014-15 is indicated as below

| Sl. No. | Particulars | Contribution (%) in Telangana |
|---------|--|-------------------------------|
| 1 | Crop Productivity | 13.40 |
| 2 | Livestock Value Added | 15.10 |
| 3 | Improvement in Resource Use Efficiency | 16.90 |
| 4 | Crop Intensity | 3.00 |
| 5 | Crop Diversification | 4.60 |
| 6 | Better Price Realisation | 8.70 |
| 7 | Shift to Non -farm Occupation | 13.40 |
| | Total Increase in Income in 7 Years | 75.20 |
| | Target increase in seven years | 110 |

Estimation of Income - 2022-23

DFI Committee has estimated the extent to which farmer's income (income from crop agriculture, livestock, non-farm business and wages and salaries) would rise between the years 2015-16 to 2022-23, both in real terms and in nominal terms, assuming the inflation to be 5 per cent per annum during the period 2015-16 to 2022-23.

| Sl. No. | Particulars (Amount in Rs) | Telangana | All India |
|---------|---|-----------|-----------|
| I | Farmers Income in Base Year at 2015-16 Prices | | |
| i | Farm Income | 63,492 | 58,246 |
| ii | Non Farm Income | 22,799 | 38,457 |
| iii | Total Income | 86,291 | 96,703 |
| II | Farmers Income in Terminal Year 2022-23 at 2015-16 Prices | | |
| i | Farm Income | 1,11,238 | 1,08,045 |
| ii | Non Farm Income | 31,916 | 48,108 |
| iii | Total Income | 1,43,153 | 1,56,154 |
| III | Farmers Income in Terminal Year 2022-23 at Current Prices | | |
| i | Farm Income | 1,56,522 | 1,52,031 |
| ii | Non Farm Income | 44,909 | 67,693 |
| iii | Total Income | 2,01,431 | 2,19,724 |

Investment required for Doubling of Farmers' Income

The targeted growth rate of farm income demands a certain minimum level of capital investments, consisting of private and public inflows. The target of DFI by 2022 entails, that the average private investment should increase by 6.62 per cent per annum from the base year 2015-16 at the national level. The required rate of increase varies widely across the states.

- At all India level :Cumulative private investment of Rs. 46,298 crore at 2004-05 prices is required for doubling of farmers' income by 2022-23 (2016-17 to 2022-23). In the case of public investment, the required cumulative investment for agriculture would be Rs.1,02,269 crore.
- Andhra Pradesh and Telangana: Since the analysis was based on data for the period from 2003-04 to 2013-14, investment required for Telangana has not been computed separately but has been calculated for undivided Andhra Pradesh. The required cumulative private and public investment amounts to Rs.2,171 crore and Rs.67,900 crore respectively.

IV. Initiatives by NABARD for Doubling of Farmers' Income

NABARD has taken various initiatives which ultimately lead to enhancement of income thereby contribute towards doubling of farmers' Income. Some of the major initiatives in the state of Telangana include the following:

- **Farmers Producer Organizations (FPOs):** Farmers Producer Organisation (FPO) is an opportunity for small producers to reap the benefits of collectivization without losing control over their lands. It also offers an opportunity to get into collaborative arrangements with big companies at a later stage for getting higher value for their produce. In Telangana, NABARD has promoted 360 FPOs, of which, 120 FPOs have been registered. RRBs have been roped in to finance these FPOs. Tribal Welfare Department, GoT has identified 15 FPOs for providing subsidy. These FPOs offer business opportunities for the banks and contribute towards doubling of farmers' income.
- **JLG mode of financing:** Joint Liability Groups (JLGs) with 4-10 members are intended basically as credit groups for tenant farmers and small farmers who do not have proper title of their farmland or security to offer; but need longer term credit or seasonal credit for pursuing their economic activities. NABARD, besides extending financial support to banks for formation and credit linkage of JLGs apart from extending 100% refinance support to Banks on their lending to JLGs. Tripartite agreements have been signed between NABARD, Banks (SBI, APGVB, TGB) and NGOs for taking the JLG mode of financing forward. This is expected to be a win-win situation for banks as well as the NGOs who will be receiving incentive for formation and credit linkage of JLGs.
- **Area Development Schemes:** NABARD has formulated Area Development Schemes (ADS) for two potential activities per district outlining the bank credit potential. These schemes have been circulated among the LDMs and Line Departments at the district level. The ADS are expected to encourage capital formation in agriculture and allied activities and thereby enhance farmers' income.
- **Tribal development endeavours:** The 'wadi' approach of NABARD with support for plantation and horticulture crops, inter crops, appropriate employment opportunities for the landless and the women came as a boon for the tribal population. The much required handholding in the areas of health, nutrition and other social development make it a holistic development venture and ensuring increase in sustainable income for the project beneficiaries. Around 26 of such projects have been piloted in the state.

- **Micro Enterprise Development Programmes:** Supplemental income in a farmers' family could be ensured by involving all the family members, particularly the women, with income generating activities. With this end in view, NABARD has conducted enterprise skill development programmes for the SHG women to develop them as entrepreneurs and thereafter link them to formal financial systems for micro loans for taking up income and employment generating enterprises. A total of 75 MEDPs were supported during 2017-18. These programmes will go a long way in creating additional income for the farmers households.
- **Engaging in dialogue with stakeholders:** NABARD is engaged in dialogue with various stakeholders including State Govt, Research Institutions like CRIDA, CESS in formulating strategies for doubling farmers' income. NABARD constituted Regional Advisory Committee (RAG) involving the representatives from various institutions and farmers community and discussed about the strategies.

Agenda 6: CD Ratio - Review of District with CD Ratio below 40% and working of Special Sub-committees of the DCC (SCC)

No District is having CD Ratio below 40%. Banks together have a CD ratio of 117.99% in the State

Agenda 7: Position of NPAs in respect of Schematic lendings, Certificate cases and Recovery of NPAs: as at the end of September 2018

(Rs. In cr)

| Scheme | Outstandings | | Overdues | | | NPAs | | |
|--|--------------|----------|-------------|---------|----------|-------------|---------|----------|
| | No. of a/cs | Amt | No. of a/cs | Amt | % to O/s | No. of a/cs | Amt | % to O/s |
| Central Government Sponsored Schemes (Total) | 210695 | 4460.01 | 42800 | 733.03 | 16.44% | 37480 | 468.73 | 10.51% |
| State Govt. Sponsored Schemes (Total) | 1310959 | 20162.90 | 339619 | 4273.61 | 21.20% | 198535 | 1970.41 | 9.77% |

- Overdues and NPAs under PMEGP are at 47.74% and 41.05% respectively.
- Overdues and NPAs under DEDS scheme are at 43.94% and 24.75% respectively.
- Overdues and NPAs under SC Corporation schemes are at 31.83% and 21.17% respectively.
- Overdues and NPAs under ST Corporation schemes are at 51.02% and 21.92% respectively.
- Overdues and NPAs under BC Corporation schemes are at 33.78% and 23.26% respectively.
- Overdues and NPAs under Minorities Corporation schemes are at 37.51% and 32.87% respectively.

The high level of NPAs under Government sponsored schemes was discussed in the Sub Committee meeting on MSME held on 19th Nov 2018 and the concerned departments of the Govt of Telangana were requested to extend assistance in recovery of NPAs.

Scheme-wise details are enclosed as **Annexure I**

Agenda 8: Review of Restructuring of loans in Natural Calamity affected districts,**if any**

Govt. of Telangana has not declared natural calamity IN any of the Mandals / Districts in the State during the quarter under review. Hence accounts restructured due to Natural Calamity in the State during the last quarter is – NIL

Agenda 9: Discussion on Policy Initiatives of the Central / State Governments / RBI

Ministry of MSME, Government of India advised banks to focus on the revamped CGTMSE scheme for enhancing credit flow to MSEs and desired the same to be discussed in the SLBC. The revised CGTMSE guidelines were already circulated to the banks and the same was taken up in the 19th SLBC meeting.

CGTMSE has been instrumental in providing guarantee cover to collateral / third party guarantee free credit facilities extended by Member Lending Institutions (MLIs) to MSEs and thus is promoting collateral free credit and bringing a paradigm shift from collateral based lending to project based lending. CGTMSE has recently brought the following major policy changes.

- Charging of guarantee fee on outstanding loan amount instead of current practice of charging fee on sanctioned amount to incentivize the disciplined borrowers.
- Inclusion of Retail Trade as an eligible activity.
- Allowing partial collateral security under Credit Guarantee Scheme of CGTMSE.
- Enhancing IT infrastructure of the Trust to improve operational efficiencies and reduce the turnaround time for guarantee coverage & claim settlement, according, availing guarantees and claim settlement process has been digitized to enable hassle free experience for borrowers and MLIs.

The aforesaid changes undertaken by the Trust would greatly enhance the effectiveness of the credit guarantee scheme leading to enhanced flow of institutional credit to the MSE sector....

Agenda 10: Discussion on Improving Rural Infrastructure / Credit absorption capacity:**a. Any large project conceived by the State Government to help improve CD Ratio**

As on 30.6.2018, the CD ratio is 117% as against the 60% advocated by RBI. Thus, the ratio is already well above the desired level. Notwithstanding this high level of CD ratio a host of new projects conceived/being implemented by the State Govt. particularly the major irrigation projects like Mission Kakatiya, Kaleswaram etc. are expected to create enormous potential for higher credit flow.

b. Explore the scope of state specific potential growth areas and the way forward – choosing partner banks.

(i) NABARD is in the process of estimating the credit potential under different broad sectors, sub-sectors and activities in all 31 districts of the state. Elaborate details of the potentials will be presented to all stake holders including the State Govt., banks and other agencies in a State Credit Seminar to be convened by NABARD soon after the ongoing state Assembly Elections process concludes and a popular Govt. assumes charge and stabilizes its functioning.

(ii) Besides, NABARD had prepared Area Development Schemes (ADS) for activities having potential for bank financing. A total of 60 ADS (two per district) have been prepared involving bank loan of

Rs.5639.49 crore for the five years (2018-19 to 2022-23). The activity-wise physical units and bank loan is indicated below:

(₹ Lakh)

| Sr. No. | Activity | Physical Units | TFO | Bank Loan |
|---------|---------------------------|----------------|------------------|------------------|
| 1 | Dairy Development | 296613 | 426751.52 | 344234.35 |
| 2 | Vegetable Cultivation | 76779 | 197381.30 | 157907.54 |
| 3 | Sheep Rearing | 23240 | 42118.30 | 35072.96 |
| 4 | Farm Mechanisation | 3654 | 24066.39 | 19346.95 |
| 5 | Integrated Farming System | 1925 | 8084.83 | 7387.50 |
| | Total | 402211 | 698402.34 | 563949.30 |

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

NABARD has not undertaken any region focused study.

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

The sector/sub-sector-wise infrastructure gaps have been covered in detail in the State Focus Paper prepared by NABARD for the year 2018-19. NABARD is in the process of preparing similar State Focus Paper for 2019-20 and the same will be launched in the State Credit Seminar to be held in December 2018/January 2019. The gaps identified in rural and agriculture infrastructure that need financing are briefly indicated below:

1. Horticulture:

A. Intervention required:

- Increasing production and productivity through bringing additional area by diversification from traditional to market driven horticultural crops like fruits, vegetables, spices, medicinal & aromatic plants, plantation crops and flowers, rejuvenation adoption of improved package of practices, use of high yielding / hybrid quality planting materials etc.,
- Quality improvement through crop specific IPM / INM / MNM practices, organic farming through facilitation in certification and setting up of vermi compost units.
- In order to overcome seasonable barrier and make the vegetables and flowers available round the year, protected cultivation (shade net houses/ poly houses)
- To meet the needs of increasing population, urbanization and dwindling land use for horticulture.
- Emphasis on creation of post-harvest infrastructure i.e. pack houses, cold storages, drying platforms etc.
- Strengthening of Horticulture marketing infrastructure by providing assistance towards infrastructure development, setting up of rural and wholesale markets besides extending assistance for functional infrastructure like grading, packing lines.
- Promote capacity building and human resources development at all levels – on farm training, trainings at State Horticulture Training Institute and at Regional Training Centers.
- Water is a precious and scarce input. Hence emphasis is laid on adoption of micro irrigation.
- Facilitation in formation of crop specific colonies.

- Facilitating exports by issuing phytosanitary certificates, associations assisting for certification.
- Major focus on adoption of modern technologies in vegetable production, plug production of seedlings, pandals, trellies etc.

B. Finance required

| Sub- sector | Bank Loan required (₹ in Cr) |
|-----------------------|------------------------------|
| Fruit Crops | 373.77 |
| Vegetables | 224.78 |
| Protected cultivation | 507.91 |
| Plantation crops | 5.31 |
| Floriculture | 32.02 |
| Aromatic plants | 1.34 |
| Nursery | 43.74 |
| PHM | 29.31 |
| Sericulture | 88.73 |

2. Storage Infrastructure

District wise - Additional Storage requirement:

| Sr.No | District | Additional storage capacity requirement (MT) |
|-------|------------------------|--|
| 1 | Rangareddy | 14303 |
| 2 | Vikarabad | 41800 |
| 3 | Medchal | 17905 |
| 4 | Mahbubnagar | 20801 |
| 5 | Nagarkurnool | 8658 |
| 6 | Wanaparthy | 2483 |
| 7 | JogulambaGadwal | 4594 |
| 8 | Nalgonda | 27763 |
| 9 | Suryapet | 67583 |
| 10 | Yadadri | 81112 |
| 11 | Warangal Urban | 28880 |
| 12 | Warangal Rural | 14769 |
| 13 | Mahabubabad | 9922 |
| 14 | JaishankarBhupalapalli | 1453 |
| 15 | Jangaon | 12515 |
| 16 | Karimnagar | 25551 |
| 17 | Jagtial | 19059 |
| 18 | RajannaSiricilla | 4954 |
| 19 | Peddapalli | 35563 |
| 20 | Khammam | 19882 |
| 21 | Bhadradi | 13670 |
| 22 | Nizamabad | 26351 |
| 23 | Kamareddy | 30521 |
| 24 | Adilabad | 12729 |
| 25 | Mancherial | 6327 |
| 26 | Asifabad | 16919 |
| 27 | Nirmal | 8020 |
| | Total | 574087 |

3. Animal Husbandry

A. District wise - number of AI centers required

| Sr.No. | Erstwhile District | Number of AI centers required |
|--------|--------------------|-------------------------------|
| 1 | Nizamabad | 97 |
| 2 | Adilabad | 68 |
| 3 | Karimnagar | 14 |
| 4 | Khammam | 14 |
| 5 | Nalgonda | 28 |

B. District wise – Number of Indigenous cows available for bank finance for the next 4 years

| Sr.No. | Erstwhile District | Year-wise requirement (Nos.) | | | |
|--------|--------------------|------------------------------|-----------|-----------|-----------|
| | | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
| 1 | Mahboobnagar | 2055 | 2001 | 1948 | 1896 |
| 2 | Rangareddy | 532 | 518 | 504 | 491 |
| 3 | Hyderabad | 50 | 49 | 47 | 46 |
| 4 | Medak | 1101 | 1072 | 1043 | 1016 |
| 5 | Nizamabad | 1039 | 1012 | 985 | 959 |
| 6 | Adilabad | 2563 | 2495 | 2429 | 2365 |
| 7 | Karimnagar | 571 | 556 | 541 | 527 |
| 8 | Warangal | 1115 | 1086 | 1057 | 1029 |
| 9 | Khammam | 1942 | 1891 | 1841 | 1792 |
| 10 | Nalgonda | 1222 | 1190 | 1159 | 1128 |
| | TOTAL | 12190 | 11868 | 11555 | 11250 |

C. District wise – Number of GMB available for bank finance for the next 4 years (Nos.)

| Sr. No. | Erstwhile District | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---------|--------------------|-----------|-----------|-----------|-----------|
| 1 | Mahboobnagar | 9704 | 9375 | 9057 | 8750 |
| 2 | Rangareddy | 6774 | 6545 | 6323 | 6108 |
| 3 | Hyderabad | 957 | 925 | 894 | 863 |
| 4 | Medak | 8712 | 8416 | 8131 | 7856 |
| 5 | Nizamabad | 9599 | 9274 | 8959 | 8656 |
| 6 | Adilabad | 8264 | 7984 | 7713 | 7452 |
| 8 | Karimnagar | 11013 | 10639 | 10279 | 9930 |
| 7 | Warangal | 11324 | 10940 | 10569 | 10211 |
| 9 | Khammam | 13088 | 12644 | 12215 | 11801 |
| 10 | Nalgonda | 16634 | 16070 | 15525 | 14999 |
| | Total | 96068 | 92811 | 89665 | 86625 |

D. District-wise number of Sheep available for bank finance for the next 4 years

(Nos.)

| Sr. No. | Erstwhile District | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|--------------|--------------------|---------------|---------------|---------------|---------------|
| 1 | Mahboobnagar | 20921 | 223355 | 225816 | 228305 |
| 2 | Rangareddy | 38592 | 39018 | 39448 | 39882 |
| 3 | Hyderabad | 471 | 476 | 482 | 487 |
| 4 | Medak | 59144 | 59796 | 60455 | 61121 |
| 5 | Nizamabad | 57667 | 58303 | 58945 | 59595 |
| 6 | Adilabad | 35222 | 35611 | 36003 | 36400 |
| 7 | Karimnagar | 90959 | 91961 | 92975 | 93999 |
| 8 | Warangal | 98487 | 99572 | 100670 | 101779 |
| 9 | Khammam | 22526 | 22775 | 23026 | 23279 |
| 10 | Nalgonda | 101089 | 102203 | 103329 | 104468 |
| Total | | 725079 | 733070 | 741148 | 749316 |

E. District-wise number of Goat available for bank finance for the next 4 years

(Nos.)

| Sr. No. | Erstwhile District | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|--------------|--------------------|---------------|---------------|---------------|---------------|
| 1 | Mahboobnagar | 31638 | 31362 | 31090 | 30819 |
| 2 | Rangareddy | 20990 | 20807 | 20626 | 20447 |
| 3 | Hyderabad | 1633 | 1619 | 1605 | 1591 |
| 4 | Medak | 27540 | 27300 | 27062 | 26827 |
| 5 | Nizamabad | 25669 | 25446 | 25224 | 25005 |
| 6 | Adilabad | 24970 | 24753 | 24538 | 24324 |
| 7 | Karimnagar | 19249 | 19081 | 18915 | 18751 |
| 8 | Warangal | 19467 | 19297 | 19130 | 18963 |
| 9 | Khammam | 21264 | 21079 | 20895 | 20713 |
| 10 | Nalgonda | 23900 | 23693 | 23486 | 23282 |
| Total | | 216319 | 214437 | 212572 | 210722 |

4. Rural Infrastructure

1. As on 30.9.2018, NABARD has sanctioned RIDF loan worth ₹761.02 cr for Mission Bhagiratha Intra Village Drinking Water Supply Works and disbursed ₹406.66 crores.
2. The projects sanctioned under Warehousing Infrastructure Fund were expected to phase out 31.3.2018. However, NABARD has extended the phasing upto 31.3.2019. The concerned departments need to take necessary measures to complete the 330 projects before the extended date.

A. District wise critical infrastructure required

(₹ lakh)

| Sr No | Name of the District | Components | Number of Projects | Total Financial Outlay |
|-------|-------------------------|---|--------------------|------------------------|
| 1 | Adilabad | Roads / Bridges | 3 | 383.00 |
| 2 | BhadradriKothagudem | Cold Storages | 3 | 956.00 |
| | | Fisheries Infrastructure | 2 | 400.00 |
| | | Custom Hiring Centres | 23 | 245.00 |
| | | Soil Testing Laboratories | 3 | 90.00 |
| 3 | Jagtial | Cold Storage | 1 | 400.00 |
| | | Ripening Chambers | 1 | 25.00 |
| | | Lift Irrigation | 1 | 427.00 |
| 4 | Jangaon | Roads / Bridges | 1 | 475.00 |
| 5 | Jayashankar Bhupalpally | Lift Irrigation | 1 | 586.00 |
| 6 | JogulambaGadwal | Micro-Irrigation | Many | 1190.00 |
| | | Cold Storage | 1 | 500.00 |
| 7 | Kamareddy | Cold Storage of Storing Seed and Farm Produce | 2 | 500.00 |
| | | Market Infrastructure - Dryers / Dhal Mill | 4 | 120.00 |
| 8 | Karimnagar | Cold Storage | 1 | 400.00 |
| | | Ripening Chambers | 1 | 25.00 |
| 9 | Khammam | Cold Storages | 7 | 2231.00 |
| | | Fisheries Infrastructure | 4 | 800.00 |
| | | Custom Hiring Centres | 21 | 224.00 |
| | | Soil Testing Laboratories | 3 | 90.00 |
| 10 | Kumurambheem Asifabad | Communcity Health Centres | 1 | 500.00 |
| | | Roads / Bridges | 2 | 189.00 |
| 11 | Mahabubabad | Tank Restoration | 1 | 1375.00 |
| 12 | Mahabubnagar | Micro-Irrigation | Many | 2400.00 |
| | | Cold Storage | 1 | 500.00 |
| 13 | Mancherial | Roads / Bridges | 3 | 1500.00 |
| 14 | Medak | Fisheries Infrastructure | | 1200.00 |
| | | Soil Testing Laboratories | 2 | 1200.00 |
| | | Marketing Infrastructure | 10 | 100.00 |
| 15 | Nagarkurnool | Micro-Irrigation | Many | 2762.00 |
| | | Cold Storage | 1 | 500.00 |

| Sr No | Name of the District | Components | Number of Projects | Total Financial Outlay |
|-------|----------------------|----------------------------------|--------------------|------------------------|
| 16 | Nalgonda | Pack House / Ripening Chambers / | 2 | 100.00 |
| 17 | Nirmal | Roads / Bridges | 2 | 224.00 |
| | | Schools / Colleges | 2 | 350.00 |
| | Total | | | 22967.00 |

e. Implementation of Model Land Leasing Act 2016 (exploring possibility in Telangana)

NITI Aayog had set up an Expert Committee in September 2015 under the Chairmanship of Dr. T. Haque to prepare a Model Agricultural Land Leasing Act based on critical review of the existing agricultural tenancy laws of states and keeping in view the need to legalize land leasing.

I. Model Agricultural Land Leasing Act, 2016

A. Key Features of the Model Land Leasing Act, 2016

- i) Legalize land leasing to promote agricultural efficiency, equity and poverty reduction.
- ii) Legalize land leasing in all areas to ensure complete security of land ownership right for land owners and security of tenure for tenants for the agreed lease period.
- iii) Allow automatic resumption of land after the agreed lease period without requiring any minimum area of land to be left with the tenant even after termination of tenancy, as laws of some states require;
- iv) Allow the terms and conditions of lease to be determined mutually by the land owner and the tenant without any fear on the part of the landowner of losing land right or undue expectation on the part of the tenant of acquiring occupancy right for continuous possession of leased land for any fixed period.
- v) Facilitate all tenants including share croppers to access insurance bank credit and bank credit against pledging of expected output.
- vi) Incentivize tenants to make investment in land improvement and also entitle them to get back the unused value of investment at the time of termination of tenancy.
- vii) The lessee is entitled to obtain loans, crop insurance, disaster relief or any other related benefits or facilities provided to farmers by the State or Central Government based on their agricultural use of the leased-in land.

II. Status of Agricultural Land leasing and tenants as per The Andhra Pradesh (Telangana Area) Tenancy & Agriculture Act, 1950, as amended in 1951, 1954, 1956, 1961, 1969 and 1979 in Telangana

- i. Legal Restrictions on Land Leasing as per existing Act: Leasing is prohibited except by certain categories of land owners, such as
 - (a) land owners who hold land equal to or less than 3 times the family holding (Family holding varies from 6 acres to 72 acres based on classification of soil and area)

(b) Disabled persons (a minor, a female, persons with physical and mental infirmity, persons in defence services with permission of district collector). A copy of every lease shall be filed before the tehsildar.

ii. Restrictions on Period of Lease: Leases can be for a period of 5 years initially and thereafter for further periods of five years.

iii. Restrictions on Land Owner's Right of Resumption: The landlord can resume land for personal cultivation by giving a notice of at least one year before the end of each period of 5 years. But if it is not cultivated within one year, the land shall be restored to the tenant.

iv. Conditions for Termination of Lease: The tenancy can be terminated before the expiry of the stipulated period in the agreement, only by voluntary surrender in good faith to the satisfaction of tehsildar. But a landlord can terminate tenancy within the agreed lease period by giving six months' notice on any of the following grounds:

(a) the failure to pay rent within a fixed date;

(b) the tenant has done any act, causing destruction or permanent injury to the land;

(c) the tenant has sublet the land (excepting under disability);

(d) the tenant has not used the land for agriculture;

(e) the tenant has sub-divided land.

v. Tenants Right to Pre-emptive Purchase of Leased in Land: A protected tenant has the right to purchase the leased in land from the landowner if the landowner desires to sell the leased out land. The tenant has a first claim on the purchase. If there is no agreement on the sale price, the competent authority will fix a reasonable price.

vi. Conferment of Ownership or Occupancy Right on Tenants: There is no legal provision to confer ownership right on tenants.

vii. Recording of Lease: A copy of every lease shall be filed before Tehsildar.

viii. Heritability of Lease Right: Not specifically mentioned.

ix. Regulation on Rent: Approximately 2 to 5 times of land revenue/assessment or $\frac{1}{4}$ to $\frac{1}{5}$ of the produce or value thereof

III. Status of adoption of Model Agricultural Land Leasing Act, 2016 in Telangana

Govt. of Telangana is yet to adopt the Model Agricultural Land Leasing Act, 2016. As can be observed from the earlier points the Model Act, 2016 protects the ownership rights of the landlords but at the same time provides facilities and ensures the security of tenants. The extension of institutional credit and other Govt. incentives such as interest subvention are in-built in the Act.

Agenda 11: Efforts towards Skill Development

RSETIs: SBI is running 9 and Andhra Bank is running one RSETI in the State. Details of Rural Self Employment Training Institutes and performance of RSETIs during the quarter enclosed as **Annexure J**

During the financial year upto Sept., 2018, RSETI performance is as under:

- Against a target of 244 programmes, 122 programmes were conducted.
- Training provided to 3,378 candidates against a target of 6,400 consisting of 1,802 male candidates and 1,576 female candidates.
- Out of 3,378 candidates, 3,202 candidates belongs to Below Poverty Line.
- Out of 3,378 candidates, 1,213 candidates belong to SC category; 387 - ST category; 1,477 - OBC category; and 151 -Minority Category.

Pending reimbursement of Claims:

These RSETIs have to receive pending dues to the tune of Rs. 812.36 lac (SBI Rs. 743.59 lac & Andhra Bank Rs.68.77 lac) from Government of India. It is informed that Govt. of India released the claim amount to SERP. We request the SERP to release the dues to Banks.

Agenda 12: Steps taken for improving land record, progress in digitalization of land records and seamless loan disbursement

Hitherto, Govt. Of Telangana provided Loan Charge Creation Module of NIC to the Banks for creation / satisfaction of agriculture loan charges / details. Though there were connectivity issues on and off, the banks started using the portal. In the meantime, the Revenue department of Telangana state took an initiative to design, develop & maintain a Web based application called “Dharani” to establish and manage a new Integrated Land Records Management System(ILRMS) that integrate both Land Administration and Registration services.

It is said that the system should perform as a single source of truth for all land parcels and discharge all and related functions in an integrated, efficient and effective manner based on work flow approach through system without any manual records with all actions on a near real time basis.

In this connection, three meetings were held between the banks, Revenue Department and M/s IL & FS, the service provider of Dharani for Govt of Telangana. Though the Dharani module for Banks was ready and Banks initiated the process for user creation, due to technical issues with regard to accessing the module through Bio metric devices, Banks could not login and create user credentials.

In the Sub Committee on Agriculture, Bankers expressed that the Biometric based authentication be replaced with OTP based authentication system, to enable Banks complete the creation of user credentials and start using the Dharani module.

Officials from the O/o CCLA and IL&FS assured that the matter will be taken up with the appropriate authorities in CCLA/Revenue Department, for approval.

Agenda 13: Issues remaining unresolved at DCC/DLRC meetings:

The details of DCC / DLRC meetings held in various districts are given in **Annexure K**

The DLRC meetings for the quarter ended Sept., 2018 could not be conducted in Nizamabad, Peddapllai & Rajanna Sircilla districts due to non-availability of time of Public Representatives. The matter has been taken up with the LDMs concerned.

Agenda 14: Timely submission of data by Bank, adhering the schedule of SLBC meetings

SLBC has advised all the banks to submit the data sought for compilation various returns within the timelines.