

Agenda 1: Adoption of Minutes

The minutes of the 22nd SLBC meeting held on 12th March 2019 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 22nd SLBC Meeting – Action Taken Report

| No. | Action Point | Action by | Action initiated / status |
|-----|---|---|---|
| 1 | Under Financial Inclusion Plan to cover villages with population above 5000, the remaining 13 unbanked villages, to be covered with "Banking Outlets" by banks latest by 31 st March 2019. | Allahabad Bank, Andhra Bank, Bank of India, Bank of Maharashtra, HDFC Bank, IDBI Bank, Indian Bank, Karur Vysya Bank, Punjab National Bank, SBI, UCO Bank & SLBC | During the quarter two more unbanked villages were covered with Banking Outlets leaving 11 unbanked villages to be covered. In Sub Committee meeting on FI, Banks have assured that they will cover the villages with Banking Outlets latest by 30 th June 2019. |
| 2 | All 77 inactive BCs as on 31 st December 2019 to be activated/ or replaced with new BCs, wherever required, immediately. Controllers of all Banks to submit a list of inactive BCs, which are inactive for more than 30 days, with details such as Name of the BC, Village Name, No. of day inactive, etc., to SLBC. | SBI, TGB, APGVB, Andhra Bank, Syndicate Bank, Central Bank of India, Union Bank of India, Kotak Mahindra Bank, Indian Bank, IOB, Canara Bank, PNB, UCO Bank, Vijaya Bank, Corporation Bank, BOI, BOB, Bank of Maharashtra, Dena Bank, Allahabad Bank, KVB, HDFC Bank & SLBC | The matter was discussed in Sub-Committee meeting on FI. The number of inactive BCs have come down to 68. Kotak Mahindra Bank advised that their 22 BCs are inactive beyond one month and they are migrating to AEPS based system and they will be able to activate the BCs by 30.09.2019. Andhra Bank advised that their inactive BCs are on account of connectivity issues. |
| 3 | Connectivity issues in Bhadradi Kothagudem District and in some parts of Nalgonda district to be resolved on priority. | Term Cell, Dept. Of Telecom/SLBC | Representative of Term Cell, Dept of Telecom present in the Sub Committee meeting advised that connectivity issues will be taken up with the respective service providers for resolution. |
| 4 | VLR/PV claims of Banks amounting to approx. Rs.769 crores to be immediately reimbursed to the Banks. | Agri. Department, GOT | The matter was discussed in Sub-Committee on Agriculture and it was advised by Agriculture Department that efforts are being made to reimburse the VLR/PV claims in a phased manner. |
| 5 | Bank's business targets for the FY to be aligned with the Annual Credit Plan targets at all levels viz. State, district, block and branch levels as per Lead Bank Scheme guidelines. State Government Schemes | LDMs/ Banks | The matter was discussed in the Sub Committee meeting. Banks have been advised to align their business targets with the Bank wise District wise ACP targets which will be advised in the SLBC meeting proposed to be held on 30 th May 2019. |

| | | | |
|---|--|-----------------------------|---|
| | formulated for development of various sectors, which require banks linkage, should be factored in Bank's business targets. | | |
| 6 | Commercial Banks to focus on opening of fixed point FLCs to ensure coverage of reorganized Districts (including the two recently formed districts) of the State to promote Financial Literacy activities to the full extent. | All Banks/SLBC | During the quarter under review, the following banks have reported 3 additional FLCs. Telangana Grameena Bank – 2 (Mancherial, Nirmal) Andhra Bank --1 (Siddipet) |
| 7 | Controllers of Banks to dispose off pending applications, focus on sanction of eligible applications received under PMEGP Scheme at the earliest. The position of sanctions /rejections to be updated in the Portal. Banks reported "zero" performance in PMEGP sanctions need to submit the reasons for pending to RBI. | All Banks | There was substantial progress in grounding of units under PMEGP during the quarter and as on 31 st March 2019, Banks have achieved 98% in terms of no of projects and 71% in terms of MM targets. |
| 8 | Pending reimbursement claims in respect of RSETIs run by State Bank of India amounting to Rs.800.18 lacs to be expeditiously reimbursed | State Director- RSETIs/SERP | Banks have advised that no reimbursements have been received from SERP after the last Qtly Review meeting held on 12.3.19. |

Agenda 3: Review of Financial Inclusion Initiatives:

A meeting of the Sub-Committee of SLBC on Financial Inclusion was held on May 20, 2019 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 5,569 as on December 31, 2018 to 5,583 as on March 31, 2019. Of these, 5,583 bank branches 1,782 are in rural centres; 1,234 in semi-urban centres; 710 in urban centres and 1,857 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 have opened 188 branches in Telangana.

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 March 2019, 244 centres (Bank-wise & District Wise is enclosed as **Annexure "B" & "C"**) were covered with Banking Outlets by banks leaving 11 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 | Bank of India | Chintriyala | Mellachervu | Suryapet |
| 5 | Bank of Maharashtra | Yepalasingaram | Huzurnagar | Suryapet |
| 6 | HDFC Bank | Chala Kurthy | Peddavura | Nalgonda |
| 7 | Indian Bank | Sirikonda | Mothey | Suryapet |
| 8 | Karur Vysya Bank | Dilawarpur | Dameracherla | Nalgonda |
| 9 | Punjab National Bank | Dardapalli | Palakurthi | Jangaon |
| 10 | State Bank of India | Polepalle | Bijinapalle | Nagarkurnool |
| 11 | UCO Bank | Chimiryala | Kodad | Suryapet |

iii) 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. So far, 14 villages have been covered by Banks 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 branches at Gollapalli, Nagineniprolu, Papakollu and Gundepudi. |
| 3 | State Bank of India | 4 | SBI has opened branches at Pusugudem on 27.01.2019, Rompaid on 08.03.2019 and Singabupalem on 20.03.2019. The village Mandalapalli was already covered by other Bank(s). |

| | | | |
|---|----------------------|---|-----------------------------|
| 4 | Indian Overseas Bank | 1 | Branch opened on 14.09.2018 |
|---|----------------------|---|-----------------------------|

To hasten the pace of expansion of banking activities in LWE affected districts, DFS advised SLBC Convener 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 31.03.19, there are 146 branches, 141 ATMs & 255 BCs functioning in Bhadradri district.

b. Review of operations of Business Correspondents:

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

i) Inactive Business Correspondents – hurdles/issues involved.

Status of BCs in Telangana

| S.No. | Bank | No. of BCs | No of Active BCs | No. of Inactive BCs |
|-------|----------------------------|-------------|------------------|---------------------|
| 1 | State Bank of India (RRBs) | 1467 | 1456 | 11 |
| 2 | State Bank of India | 1212 | 1211 | 1 |
| 3 | Andhra Bank | 691 | 663 | 28 |
| 4 | Syndicate Bank | 160 | 159 | 1 |
| 5 | Central Bank of India | 104 | 99 | 5 |
| 6 | Union Bank of India | 110 | 110 | 0 |
| 7 | Canara Bank | 62 | 62 | 0 |
| 8 | Indian Bank | 74 | 74 | 0 |
| 9 | Indian Overseas Bank | 74 | 74 | 0 |
| 10 | Kotak Mahindra Bank Ltd | 75 | 53 | 22 |
| 11 | Punjab National Bank | 27 | 27 | 0 |
| 12 | Bank of Baroda | 44 | 44 | 0 |
| 13 | UCO Bank | 25 | 25 | 0 |
| 14 | Corporation Bank | 20 | 20 | 0 |
| 15 | Bank of India | 18 | 18 | 0 |
| 16 | HDFC Bank Ltd | 1 | 1 | 0 |
| 17 | Bank of Maharashtra | 10 | 10 | 0 |
| 18 | Allahabad Bank | 7 | 7 | 0 |
| 19 | Karur Vysya Bank | 2 | 2 | 0 |
| | Grand Total | 4183 | 4115 | 68 |

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 68 BCs are in active. The matter was discussed in the Sub-Committee meeting on Financial Inclusion.

ii) Connectivity Issues: Connectivity issues were discussed in the 'Sub Committee meeting on FI' held on 20th May 2019.

Few Banks have expressed that on account of connectivity issues their BCs are not able to function in Bhadrachalam district, Nalgonda District, Mahabubnagar district and Mahabubabad districts. Term Cell, Ministry of Telecom, Govt of India have advised that the issues will be taken up with the service providers for resolution.

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

As at the end of March 2019, there are 8,646 ATMs functioning in the State of Telangana and 1,70,826 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 95,56,914 PMJDY accounts so far. Out of these accounts, **81,76,935** accounts (85.56%) were Aadhaar Seeded and Rupay Cards were issued to 74,99,284 accounts (78.46%).

Bank-wise data is enclosed as **Annexure "D"**

Further, Banks together have 392.19 lakh operative Savings Bank accounts in the State and 80.35% of the accounts are seeded with Aadhaar whereas 93.90% of the accounts are seeded with mobile numbers.

e. Social Security / Insurance Schemes launched by Govt. Of India :

- i. Pradhan Manthri Surksha 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 31.03.2019 is furnished hereunder:

| Bank Type | PMSBY | PMJJBY | APY | Total |
|--------------------|------------------|------------------|-----------------|------------------|
| Public Sector | 4097235 | 1149977 | 400032 | 5647244 |
| Private Sector | 626886 | 154804 | 38575 | 820265 |
| RRB | 1057520 | 618710 | 101765 | 1777995 |
| Coop. | 164494 | 76436 | 0 | 240930 |
| Grand Total | 59,46,135 | 19,99,927 | 5,40,372 | 84,86,434 |

f. Financial Literacy Initiatives:

Financial Literacy Centres (FLCs) – Position as on 31.03.2019

| Particulars | No. of FLCs |
|---|-------------|
| No. of FLCs operating in the District Head Quarters | 35 |
| No. of FLCs operating in Divisional Head Quarters | 25 |
| No. of FLCs operating in Rural Areas | 21 |
| Total FLCs functioning in the State of Telangana | 81 |

| Banks | No. of FLCs |
|-------------------------|-------------|
| Telangana Grameena Bank | 6 |
| AP Grameena Vikas Bank | 5 |
| Andhra Bank | 2 |
| AVA (Promoted by SBI) | 11 |
| Dist Co-op Banks | 57 |
| Total | 81 |

Financial Literacy Activity by FLCs and Rural Branches of Banks:

| Quarter ended | Conducted by FLCs | | Camps conducted by Rural Branches |
|---------------|-------------------|----------------|-----------------------------------|
| | Special Camps | Specific Camps | |
| June 2018 | 223 | 200 | 2261 |
| Sept - 2018 | 258 | 491 | 2947 |
| Dec-2018 | 233 | 409 | 3204 |
| Mar-2019 | 144 | 440 | 3125 |
| Total | 858 | 1540 | 11537 |

The Financial Literacy Centres (FLCs) both in Districts and LDM offices opened by the Banks are meant to take up Financial Literacy activities on a regular basis.

The brief performance of the FLCs during the quarter ended March 2019 under review is:

- 81 FLCs are functioning in the state.
- 144 special camps and 440 specific camps were conducted by FLC / FLCs during the quarter and 481 camps during the financial year.
- 1777 Rural branches in the State have conducted 3,125 camps during the quarter and 11,537 camps during the financial year.

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.

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 was held on May 21, 2019 and the Sub-Committee on MSMEs was held on May 22, 2019 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 31.03.2019**(Rs. In cr)**

| No. | Particulars | O/s as on | O/s as on | RBI Norm | Level of Compliance/ achievement |
|------|---|-----------|-----------|----------|----------------------------------|
| | | 31.12.18 | 31.03.19 | | |
| 1 | Total Deposits | 433036.37 | 454272.19 | | |
| 2 | Total Advances | 515537.84 | 533874.07 | | |
| 3 | Credit Deposits Ratio (%) (RBI Norm 60%) | 119.05 | 117.52% | | |
| 4 | Total Priority Sector Advances | 162187.49 | 162281.01 | 40.00% | 33.77% |
| | Of which | | | | |
| A | Agriculture advances | 67951.80 | 73087.01 | 18.00% | 15.21% |
| i. | Of which: small & marginal farmers | 28180.57 | 29539.43 | 8.00% | 6.15% |
| B | Non-farm Sector / MSMEs | 59162.13 | 59324.03 | | |
| i. | Of which: Micro enterprises | 22050.92 | 22297.91 | 7.50% | 4.64% |
| ii. | Small Enterprises | 24459.14 | 26180.76 | | |
| iii. | Medium Enterprises | 12652.07 | 10845.36 | | |
| C | Export Credit | 149.20 | 140.50 | | |
| D | Others' under Priority Sector Advances | 34924.35 | 29729.46 | | |
| | Of which | | | | |
| i. | Educational Loans | 3060.87 | 2929.16 | | |
| ii. | Housing Loans | 27081.57 | 23848.43 | | |
| iii. | Social Infrastructure | 42.53 | 43.97 | | |
| iv. | Renewable Energy | 119.23 | 131.12 | | |
| v. | Others | 4152.87 | 2776.78 | | |
| 5 | Out of Priority Sector Advances - Finance to: | | | | |
| i. | Advances Weaker Sections | 44315.20 | 45827.81 | 10.00% | 9.53% |
| ii. | Advances to Women | 30697.08 | 32146.53 | 5.00% | 6.69% |
| iii. | Advances to SC/ST | 13253.18 | 13628.22 | | |
| iv. | Advances to Minorities | 11432.47 | 11709.66 | | |
| v. | SHGs | 12486.73 | 12913.14 | | |

- ✦ As at the end of March, 2019 total deposits of the Banks in the State are at Rs. 4,54,272.19 cr and advances are at Rs. 5,33,874.07cr.
- ✦ Deposits have registered a growth of Rs.21,235.82 cr and advances a growth of Rs. 18,336.23 cr during the quarter under review. (Dec'18 -March'19).
- ✦ During the Current FY 2018-19, Banks together have registered a growth of Rs. 41,326.75 cr in deposits and Rs.53,341.25 cr in Advances. (April 18-March 19).
- ✦ Banks in the State have registered a CD Ratio of 117.52%

Achievement of Annual Credit Plan 2018-19: Position as on 31.03.2019**(Rs. In cr)**

| S.No | Particulars | Achievement during | | Target 2018-19 | Achievement during | | | |
|------|--|--------------------|------------------|-------------------|----------------------------|----------------------------|----------------------------|---------------|
| | | 2016-17 | 2017-18 | | 01.10.18 to 31.12.18 | 01.01.19 to 31.03.19 | 01.04.18 to 31.03.19 | % |
| 1 | Short Term Production Loans | | | | | | | |
| a | Kharif | 15205.40 | 21025.90 | 25496.53 | -- | -- | 19671.76 | 77.15 |
| b | Rabi | 13456.07 | 10384.67 | 16997.93 | 5226.75 | 8853.21 | 14079.96 | 82.83 |
| | Total | 28661.47 | 31410.57 | 42494.26 | 5226.75 | 8853.21 | 33751.72 | 79.43 |
| 2 | Agriculture Term Loans | 6143.27 | 7320.07 | 11421.85 | 1387.17 | 3023.41 | 12672.32 | 110.94 |
| 3 | Agriculture Infrastructure | 234.39 | 391.02 | 2102.70 | 113.08 | 180.52 | 591.66 | 28.13 |
| 4 | Agr. Ancillary activities | 2374.03 | 3261.07 | 2044.55 | 1024.92 | 928.74 | 4336.07 | 212.07 |
| 5 | Total Agriculture | 37413.16 | 42382.73 | 58063.36 | 7751.92 | 12985.88 | 51351.77 | 88.44 |
| 6 | Micro &small, Medium Enterprises | 20221.46 | 26542.24 | 21381.22 | 8973.19 | 7922.00 | 36639.03 | 171.36 |
| 7 | Others' under priority Sector Advances | 4734.82 | 5786.83 | 13303.07 | 2157.44 | 1846.08 | 7713.35 | 57.98 |
| | Of which | | | | | | | |
| a | Education Loans | 525.34 | 401.02 | 1798.33 | 81.74 | 148.52 | 533.56 | 29.67 |
| b | Housing Loans | 2795.94 | 4000.88 | 6011.23 | 1273.14 | 1625.87 | 5848.66 | 97.29 |
| c | Others | 1413.54 | 1384.93 | 5493.51 | 493.21 | 71.69 | 1331.13 | 24.23 |
| 8 | Export Credit | 62.72 | 46.16 | 0.00 | 10.98 | -7.99 | 32.40 | 0.00 |
| 9 | Total Priority Sector Advances | 62432.16 | 74757.96 | 92747.65 | 18893.53 | 22745.97 | 95736.55 | 103.22 |
| 10 | Non-Priority Sector Advances | 78957.84 | 125959.66 | 43985.65 | 29370.37 | 28184.51 | 123855.80 | 281.58 |
| 11 | Total Credit Plan | 141390.00 | 200717.62 | 136733.30 | 48263.90 | 50930.48 | 219592.35 | 160.60 |

- ✦ Banks together disbursed Priority Sector loans of Rs.95,736.55 cr. and achieved 103.22% of annual targets.
- ✦ Under Short Term Production loans, Rs. 33,751.72 cr. was disbursed achieving 79.43% of annual targets.
- ✦ Term loans to agriculture including allied activities; Infrastructure and Ancillary activities were disbursed to the extent of Rs. 17,600.05 cr, achieving 113.04% of targets.
- ✦ Amount of Rs. 51,351.77 cr disbursed by Banks to Agriculture sector, achieving 88.44% of annual targets.
- ✦ MSME loans totalling to Rs. 36,639.03 cr were disbursed by banks, achieving 171.36% of annual targets.
- ✦ Amount of Rs.7,713.35 cr disbursed by Banks to 'Other priority sector advances' , achieving 57.98% of annual targets.

- ✦ Education loans amounting to Rs. 533.56 cr were disbursed by banks achieving 29.67% of annual targets.
- ✦ Housing loans amounting to Rs. 5,848.66 cr were disbursed by banks achieving 97.29% of targets.
- ✦ Banks together have disbursed Priority & Non Priority Sector Advances totalling to Rs.2,19,592.35 crores achieving 160.60% of annual targets.

* RBI Norm for computation of priority sector targets/sub-targets achievement is to be 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 31.03.2019

(Rs. In cr)

| Sector | Targets | Achievement | Category | Targets | Achievement | % Achievement |
|----------------------|-----------------|-----------------|----------------|-----------------|-----------------|---------------|
| Public Sector Banks | 34966.59 | 25640.76 | Crop Loans | 42494.26 | 33751.72 | 79.43 |
| Private Sector Banks | 4466.97 | 12294.07 | Term Loans | 11421.85 | 12672.32 | 110.95 |
| Regional Rural Banks | 11945.56 | 7645.21 | Infrastructure | 2102.70 | 591.66 | 28.14 |
| Cooperative Banks | 6684.24 | 5771.74 | Agr. Ancillary | 2044.55 | 4336.07 | 212.08 |
| Total | 58063.36 | 51351.77 | Total | 58063.36 | 51351.77 | 88.44 |

- ✦ Amount Rs. **51,351.77**cr was disbursed to Agriculture sector by banks, achieving **88.44%** of annual targets.

Short Term Crop Production Loans:

(Rs. In cr)

| Category | Kharif Season | | | Rabi Season | | |
|----------------------|-----------------|-----------------|--------------|-----------------|-----------------|---------------|
| | Target | Achievement | % | Target | Achievement | % |
| Public Sector Banks | 15128.26 | 11766.98 | 77.78 | 10085.53 | 8191.07 | 81.22% |
| Private Sector Banks | 1697.13 | 1239.28 | 73.02 | 1131.42 | 1462.79 | 129.29% |
| Regional Rural Banks | 5423.88 | 3918.15 | 72.24 | 3615.93 | 1842.07 | 50.94% |
| Cooperative Banks | 3247.26 | 2747.35 | 84.60 | 2164.85 | 2584.03 | 119.36% |
| Total | 25496.53 | 19671.76 | 77.15 | 16997.73 | 14079.96 | 82.83% |

Under Short Term Crop loans:

Rabi 2018-19

- ✦ Public sector banks have disbursed Rs. 8,191.07cr and achieved 81.22% of Rabi Targets.
- ✦ Private sector banks have disbursed Rs.1,462.79cr and achieved 129.29% of Rabi Targets.
- ✦ RRBs have disbursed Rs. 1,842.07cr and achieved 50.94% of Rabi Targets.

- ★ Co-operative Banks have disbursed Rs. 2,584.03 cr and achieved 119.36% of Rabi Targets

Agri. Term Loans including Allied, Infrastructure & Ancillary Activities as on 31.03.2019 (Rs. In cr)

| Sector | Target | Achievement | % |
|-----------------------------|----------|-------------|--------|
| Public Sector Banks | 9752.80 | 5682.72 | 58.27 |
| Private Sector Banks | 1638.42 | 9591.99 | 585.44 |
| Regional Rural Banks | 2905.75 | 1884.99 | 64.87 |
| Cooperative Banks | 1272.13 | 440.35 | 34.61 |
| Total | 15569.10 | 17600.05 | 113.04 |

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

- ★ Public sector banks have disbursed Rs. 5,682.72 cr and achieved 58.27% of Annual Targets.
- ★ Private sector banks have disbursed Rs. 9,591.99 cr and achieved 585.44% of Annual Targets.
- ★ RRBs have disbursed Rs. 1,884.99 cr and achieved 64.87% of Annual Targets.
- ★ Co-operative Banks have disbursed Rs. 440.35 cr and achieved 34.61% of Annual Targets.

Dairy Entrepreneurship Development Scheme (DEDS) as on 31.03.2019

Outstanding loans to 22,984 borrowers under DEDS scheme are at Rs.245.31 cr. During the quarter banks have disbursed an amount of Rs.15.19 cr to 633 beneficiaries.

NABARD advised approval of DEDS for the year 2019-20 by Govt of India. The uploading of claims for the year 2019-20 will be started from 1st June 2019. Operational guidelines received from NABARD have been communicated to the Banks.

Pledge Finance against Warehouse Receipts

So far, Banks have in the state extended credit to 697 beneficiaries amounting to Rs.118.37 cr. During the quarter, an amount of Rs. 76.62 cr was disbursed to 393 units.

Joint Liability Groups (Bhoomi Heen-Kisan)

Banks have so far, financed 17,125 Joint Liability Groups with an outlay of Rs.1,330.89 cr. During the current Financial Year, banks in the State have disbursed an amount of Rs.16.25 cr to 1600 JLGs.

Scale of Finance:

Scales of Finance for 2019-20 fixed by DLTCs and ratified by State Level Technical Committee have been communicated to the LDMS and Banks.

Overdues & NPAs under Agriculture sector as on 31.03.2019**(Rs. In cr)**

| 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 | 5161320 | 50264.78 | 1040167 | 9878.20 | 19.65 | 273295 | 1687.38 | 3.36 |
| Agri. Term Loans | 719229 | 16320.14 | 112285 | 1988.78 | 12.19 | 94899 | 1338.33 | 8.20 |
| Agri. Infrastructure | 6508 | 1273.07 | 2179 | 337.69 | 26.52 | 535 | 54.35 | 4.27 |
| Ancillary activities | 6595 | 5229.01 | 637 | 385.70 | 7.37 | 1066 | 383.60 | 7.34 |
| Total Agriculture | 5893652 | 73087.00 | 1155268 | 12590.37 | 17.23 | 369795 | 3463.66 | 4.74 |

Overdues in Agriculture segment

- 19.65% of Short Term Crop Loan outstandings are overdues in the books of the banks.
- 11.88% of Agriculture Term Loan incl. Allied activities; Agri. Infrastructure; Agri. Ancillary Activities outstandings are overdues .
- Overdues in total agriculture advances constitute 17.23% of outstandings.

NPAs in Agriculture segment

- 3.36% of short term crop loan outstandings are NPAs in the books of the banks.
- 7.78% of Agriculture Term Loan incl. Allied activities; Agri. Infrastructure; Agri. Ancillary Activities outstandings are NPAs.
- NPAs in total agriculture advances are at 4.74%.

a. Lending towards Government sponsored schemes:**Credit Flow under DAY-NRLM Scheme:****(Rs. In cr)**

| Outstanding 31.03.19 | | Disbursements 01.01.19 to 31.03.19 | | Disbursements 01.04.18 to 31.03.19 | | Overdues | | | NPAs | | |
|----------------------|---------|------------------------------------|---------|------------------------------------|---------|-------------|--------|------|-------------|--------|------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 335049 | 9247.55 | 94294 | 2785.67 | 217898 | 5968.95 | 36834 | 505.48 | 5.46 | 19739 | 178.16 | 1.92 |

- ❖ As at the end of March,2019 loan outstandings of 3,35,049 groups are at Rs.9,247.55 cr
- ❖ Banks disbursed Rs. 2,785.67 cr to 94,294 groups during the quarter and Rs.5,968.95 cr. to 2,17,898 groups during the year.
- ❖ Overdues at Rs.505.48 cr constitute 5.46% of outstandings.
- ❖ NPAs at Rs. 178.16 cr constitute 1.92% of outstandings.
- ❖ Bank-wise details are enclosed as **Annexure -22**

Credit Flow under DAY-NULM Scheme up to 31.03.2019:**(Rs. In cr)**

| Outstanding 31.03.19 | | Disbursements 01.01.19 to 31.03.19 | | Disbursements 01.04.18 to 31.03.19 | | Overdues | | | NPAs | | |
|-------------------------|---------|--|---------|--|---------|----------------|--------|------|----------------|--------|------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 158826 | 2911.49 | 47568 | 1581.76 | 86435 | 2539.73 | 16587 | 145.24 | 4.99 | 10774 | 133.14 | 4.57 |

- ❖ As at the end of March, 2019, outstanding loans of 1,58,826 groups are at Rs.2,911.49 cr.
- ❖ During the quarter under review, Banks disbursed Rs.1,581.76 cr to 47,568 groups whereas during the current financial year Rs.2,539.73 crores was disbursed to 86,435 groups.
- ❖ Overdues at Rs.145.24 cr constitute 4.99% of outstandings.
- ❖ NPAs at Rs. 133.14 cr constitute 4.57% of outstandings.
- ❖ Bank-wise details are enclosed as **Annexure -23**

Credit Flow under MUDRA Scheme: FY 2018-19**(Rs. In cr)**

| Particulars | Shishu | | Kishore | | Tarun | | Total | | Target | Achievement |
|------------------------|--------|---------|---------|---------|-------|---------|--------|---------|---------|-------------|
| | A/cs | Amt. | A/cs | Amt. | A/cs | Amt. | A/cs | Amt. | Amt. | % |
| All Beneficiaries | 786781 | 2240.38 | 161302 | 3034.34 | 34082 | 2502.91 | 982165 | 7777.66 | 6242.59 | 124.59% |
| Women Entrepreneurs | 714820 | 2030.83 | 51441 | 638.56 | 6524 | 466.72 | 772785 | 3136.11 | | |
| New Entrepreneurs | 720866 | 2052.93 | 83379 | 1429.25 | 16545 | 1226.15 | 820810 | 4708.32 | | |
| Minority Entrepreneurs | 194762 | 563.79 | 14836 | 185.33 | 1630 | 122.54 | 211228 | 871.66 | | |
| SC Entrepreneurs | 226153 | 620.56 | 13719 | 182.26 | 868 | 58.77 | 240740 | 861.60 | | |
| ST Entrepreneurs | 82011 | 220.12 | 6280 | 114.48 | 803 | 53.76 | 89094 | 388.36 | | |

- ❖ As at the end of March,2019 banks sanctioned loans to 9,82,165 beneficiaries with an outlay of Rs.7,777.66 cr, achieving 124.59 % of annual targets.
- ❖ Rs.3,136.11 cr - Sanctioned to 7,72,785 Women beneficiaries.
- ❖ Rs.4,708.32 cr - Sanctioned to 8,20,810 New Entrepreneurs
- ❖ Rs.871.66 cr - Sanctioned to 2,11,228 Minority community enterprises
- ❖ Rs.861.60 cr - Sanctioned to 2,40,740 SC Entrepreneurs
- ❖ Rs.388.36 cr - Sanctioned to 89,094 ST Entrepreneurs
- ❖ Bank-wise / district-wise details are enclosed an **Annexure "G"**

Credit Flow under PM-STAND UP INDIA Scheme : FY 2018-19**(Rs. in crore)**

| No. of Sanctions | Women | SC | ST | Amount sanctioned |
|------------------|-------|-----|-----|-------------------|
| 4574 | 3124 | 977 | 473 | 1,073.79 |

- ❖ As on 31.03.2019, banks have sanctioned loans to 4,574 borrowers with an outlay of Rs.1,073.79 cr.

Under Stand-Up India scheme, banks have sanctioned loans to:

- ❖ 3,124 women beneficiaries.
- ❖ 977 SC beneficiaries.
- ❖ 473 ST beneficiaries.
- ❖ Bank wise details are enclosed an Annexure "H"

Credit Flow under DRI Scheme: FY 2018-19

(Rs. In cr)

| Outstanding 31.03.19 | | Disbursements 01.01.19 to 31.03.19 | | Disbursements 01.04.18 to 31.03.19 | | Overdues | | | NPAs | | |
|-------------------------|--------|--|--------|--|--------|----------------|--------|-------|----------------|--------|-------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 15541 | 27.56 | 311 | 0.32 | 1460 | 2.03 | 4069 | 4.31 | 15.64 | 4445 | 5.21 | 18.90 |

- ❖ As at the end of March 2019, outstanding credit to 15,541 beneficiaries is at Rs.27.56 cr.
- ❖ Overdues at Rs. 4.31 cr constitute 15.64% of outstandings.
- ❖ NPAs with an amount of Rs. 5.21 cr constitute 18.90% of outstandings.

Credit Flow under PMEGP Scheme: FY 2018-19

The performance of banks under PMEGP

(Rs. In cr)

| Agency | Target 2018-19 | | | Achievement up to 31.03.2019 | | |
|--------------|--------------------|-----------------|---------------|------------------------------|-----------------|----------------|
| | No. of Projects | Margin Money | Emp. (Nos) | No. of Projects | Margin Money | Empl. (Nos) |
| KVIC | 783 | 19.58 | 6265 | 306 | 11.63 | 2048 |
| KVIB | 1305 | 32.63 | 10441 | 758 | 29.38 | 4384 |
| DIC | 812 | 20.30 | 6497 | 985 | 29.79 | 5384 |
| TOTAL | 2900 | 72.51 | 23203 | 2049 | 70.80 | 11816 |

During the year 2018-19, achievement in no. of projects is 2049 (70.65%) with Margin Money achievement of Rs.70.80 cr (97.64%) against a target of 2,900 projects and Margin Money outlay of Rs.72.51 cr.

Targets under PMEGP for FY 2019-20 (Agency wise):

(Rs. In cr)

| Agency | Target 19-20 | | |
|--------------|-----------------|---------------|---------------|
| | No. of Projects | Margin Money | Emp. (Nos) |
| KVIC | 748 | 22.46 | 5984 |
| KVIB | 1445 | 43.38 | 11560 |
| DIC | 1167 | 34.97 | 9336 |
| TOTAL | 3360 | 100.81 | 26880 |

Exemption of EDP training till 31.03.2019

Earlier, the Directorate of PMEGP, KVIC vide Circular dated 17.01.2019 exemption of EDP training prior to disbursement of Loan till 31.03.2019. The said exemption will facilitate the financial bank to disburse the first installment of loan and claim/upload Margin Money subsidy on the PMEGP online portal without waiting for completion of EDP training. However, Banks have to focus on all the pending EDP trainings pertaining to cases sanctioned upto 31st March 2019 to ensure completion during the first quarter of next Financial Year 2019-20. The exemption is already communicated by SLBC to all Banks, LDMs for necessary action and discussed in Sub-Committee Meeting of MSME held on 22nd May 2019.

b. Flow of Credit to MSMEs**Micro, Small & Medium Enterprises (MSME) (Priority) as on 31.03.19****(Rs. In cr)**

| Particulars | Target | Achievement | % |
|----------------------------|-----------------|-----------------|---------------|
| Micro Enterprises | 5836.90 | 14221.55 | 243.65 |
| Small Enterprises | 6598.33 | 17030.25 | 258.10 |
| Total SME | 12435.22 | 31251.80 | 251.32 |
| Medium Enterprises (ME) | 8945.99 | 5387.23 | 60.22 |
| Total MSME advances | 21381.22 | 36639.03 | 171.36 |

Micro, Small & Medium Enterprises (MSME): Priority Sector**(Rs. In cr)**

| Particulars | Outstanding as on 31.03.2017 | | Outstanding as on 31.03.2018 | | Outstanding as on 31.03.2019 | |
|-------------------------------------|---------------------------------|-----------------|---------------------------------|-----------------|---------------------------------|-----------------|
| | A/c. | Amt. | A/c. | Amt. | A/c. | Amt. |
| Micro Enterprises | 615980 | 19982.77 | 775916 | 22701.27 | 847833 | 22297.91 |
| Small Enterprises | 103045 | 18644.08 | 233219 | 22490.37 | 323480 | 26180.76 |
| Total SME | 719484 | 38626.85 | 1009135 | 45191.64 | 1171313 | 48478.67 |
| % of Micro Enterprises to total MSE | 85.61% | 51.73% | 76.89% | 50.23% | 72.38% | 45.99% |
| % of Small enterprises to total MSE | 14.39% | 48.27% | 23.11% | 49.77% | 27.62% | 54% |
| Medium Enterprises (ME) | 95431 | 7488.43 | 132524 | 11040.09 | 210913 | 10845.36 |
| % of ME to total MSME advances | 11.71% | 16.24% | 11.61% | 19.63% | 15.26% | 18.28% |
| Total MSME advances | 814915 | 46115.28 | 1141659 | 56231.73 | 1382226 | 59324.03 |

Micro, Small & Medium Enterprises (MSME): Non-priority Sector**(Rs. In cr)**

| Particulars | Outstanding as on 31.03.2017 | | Outstanding as on 31.03.2018 | | Outstanding as on 31.03.2019 | |
|-------------------------------------|---------------------------------|----------|---------------------------------|----------|---------------------------------|----------|
| | A/c. | Amt. | A/c. | Amt. | A/c. | Amt. |
| Micro Enterprises | 281612 | 11668.58 | 293092 | 4837.85 | 401832 | 6210.45 |
| Small Enterprises | 459720 | 19461.05 | 525426 | 6251.67 | 626066 | 6277.34 |
| Total SME | 741332 | 31129.63 | 818518 | 11089.52 | 1027898 | 12487.79 |
| % of Micro Enterprises to total MSE | 37.99% | 37.48% | 35.81% | 43.63% | 39.09% | 49.73% |

| | | | | | | |
|-------------------------------------|---------------|-----------------|---------------|-----------------|----------------|-----------------|
| % of Small enterprises to total MSE | 62.01% | 62.52% | 64.19% | 56.37% | 60.91% | 50.27% |
| Medium Enterprises (ME) | 6820 | 7753.81 | 14413 | 15479.27 | 41960 | 25901.22 |
| % of ME to total MSME advances | 0.91% | 19.94% | 1.73% | 58.26% | 3.92% | 67.47% |
| Total MSME advances | 748152 | 38883.44 | 832931 | 26568.79 | 1069858 | 38389.01 |

Micro, Small & Medium Enterprises (MSME): Priority & Non-priority Sector**(Rs. In cr)**

| Particulars | Outstanding as on 31.03.2017 | | Outstanding as on 31.03.2018 | | Outstanding as on 31.03.2019 | |
|-------------------------------------|------------------------------|-----------------|------------------------------|-----------------|------------------------------|-----------------|
| | A/c. | Amt. | A/c. | Amt. | A/c. | Amt. |
| Micro Enterprises | 897592 | 31651.35 | 1069009 | 27539.12 | 1249665 | 28508.37 |
| Small Enterprises | 563224 | 38105.13 | 758645 | 28742.04 | 949546 | 32458.09 |
| Total SME | 1460816 | 69756.48 | 1827654 | 56281.16 | 2199211 | 60966.46 |
| % of Micro Enterprises to total MSE | 61.44% | 45.37% | 58.49% | 48.93% | 56.82% | 46.76% |
| % of Small enterprises to total MSE | 38.56% | 54.63% | 41.51% | 51.07% | 43.17% | 53.24% |
| Medium Enterprises (ME) | 102251 | 15242.24 | 146937 | 26519.36 | 252873 | 36746.58 |
| % of ME to total MSME advances | 6.54% | 17.93% | 7.44% | 32.03% | 10.31% | 37.61% |
| Total MSME advances | 1563067 | 84998.72 | 1974591 | 82800.52 | 2452084 | 97713.04 |

During the Financial Year under review:

- SME advances grew by Rs.4,685.30 cr and stood at Rs.60,966.46 cr.
- Advances to Medium Enterprises increased by Rs. 10,227.22 cr and stood at Rs. 36,746.58 cr.
- Advances under MSME segment increased by Rs. 14,912.52 cr and stood at Rs.97713.04 cr

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 (Mar'18 – Mar' 19) | 20 | 8.32% |
| 10 percent annual growth in the number of micro enterprise accounts | 10 | 16.90% |
| 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 | 46.76% |

Overdues in MSMEs as on 31.03.2019**(Rs. In cr)**

| 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 | 132411 | 3076.36 | 13.80% | 7725 | 164.13 | 2.64% | 140136 | 3240.49 | 11.37% |
| 2 | Small | 14969 | 4548.22 | 17.37% | 192 | 36.09 | 0.57% | 15161 | 4584.31 | 14.12% |
| 3 | Total MSE | 147380 | 7624.58 | 15.73% | 7917 | 200.22 | 1.60% | 155297 | 7824.80 | 12.83% |
| 4 | Medium | 2859 | 1955.90 | 18.03% | 3553 | 387.44 | 1.50% | 6412 | 2343.34 | 6.38% |
| 5 | Total MSME | 150239 | 9580.48 | 16.15% | 11470 | 587.66 | 1.53% | 161709 | 10168.14 | 10.40% |

Priority Sector:

- Overdues under total MSE segment advances constitute 15.73% of its outstandings.
- Overdues under Medium enterprises constitute 18.03% of its outstandings.
- Overdues under total MSME segment constitute 16.15% of its outstandings.

Priority & Non-Priority

- Overdues under total MSE segment advances constitute 12.83% of its outstandings.
- Overdues under Medium enterprises constitute 6.38% of its outstandings.
- Overdues under total MSME segment constitute 10.40% of its outstandings.

NPAs in MSME segment**(Rs. In cr)**

| 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 | 103223 | 2015.34 | 9.04% | 18898 | 188.66 | 3.03% | 122121 | 2204.00 | 7.73% |
| 2 | Small | 16063 | 3024.29 | 11.55% | 92 | 15.95 | 0.25% | 16155 | 3040.24 | 9.37% |
| 3 | Total MSE | 119286 | 5039.63 | 10.39% | 18990 | 204.61 | 1.63% | 138276 | 5244.24 | 8.60% |
| 4 | Medium | 2869 | 1412.61 | 13.02% | 459 | 493.90 | 1.91% | 3328 | 1906.51 | 5.18% |
| 5 | Total MSME | 122155 | 6452.24 | 10.87% | 19449 | 698.51 | 1.81% | 141604 | 7150.75 | 7.32% |

Priority

- NPAs under total MSE segment advances constitute 10.39% of its outstandings.
- NPAs under Medium enterprises constitute 13.02% of its outstandings.
- NPAs of total MSME segment constitute 10.87% of its outstandings

Priority & Non-Priority

- NPAs under total MSE segment advances constitute 8.60% of its outstandings.
- NPAs under Medium enterprises constitute 5.18% of its outstandings.
- NPAs of total MSME segment constitute 7.32% of its outstandings

c. Crop Insurance:**i. PMFBY (Pradhan Mantri Fasal Bhima Yojana)**

Government of Telangana has issued notification (GO Rt 156 dt 03.05.2019) for Crops and Areas District wise) during Kharif 2019 and Rabi 2019-20 to implement the **“Village as Insurance Unit ” for one major crop of the District and other crops are covered under Mandal Insurance Unit scheme** during Kharif 2019 and Rabi 2019-20 season under Pradhan Mantri Fasal Bhima Yojana (PMFBY) in (32) Districts of the State. The main features/Operational modalities of the Scheme vide Annexures I to IX Statements 1-32 and Proforma A&B are Appended to the order.

Further, settlement of the claims “As per the PMFBY Guidelines and administrative approval of Government of India, with the condition that, the indemnity claims will be settled on the basis of yield data furnished by the state government based on requisite number of crop cutting experiments (CCEs) under General Crop Estimation Survey (GCES) conducted and not any other basis like Annavari / paisawari certificate / Declaration of drought / flood, Gazette Notification etc. by any other Department / Authority.

However claims for prevented sowing will be based on area sown and claims for localized risks and post harvest losses will be assessed by Insurance surveyors for each effected farmer. For their purpose the Joint Committee comprising of loss surveyors, Representative of implementing agency and State Government officials of concerned departments will be formed to supervise the claim assessment process. Operational Guidelines of the Scheme , Empanelled General Insurance Companies as implementing Agency are detailed in the GO (Annexure “L”).

Cut-off dates for Loanee and non-Loanee farmers for payment of premium:

To maintain seasonality discipline, the cut-off dates for loanee and non-loanee farmers for Kharif-2019 & Rabi-2019-20 under PMFBY will be:

| No. | Crop | Cut-off date |
|-----|---|--------------|
| 1 | Paddy | 31.08.2019 |
| 2 | Jowar, Maize, Red gram, Green gram, Black gram, Groundnut, Soybean, Turmeric | 31.07.2019 |
| 3 | Paddy, Jowar, Groundnut, Black gram, Green gram, Sunflower, Sesamum, Red Chillies & Onion | 31.12.2019 |
| 4 | Bengalgram | 30.11.2019 |
| 5 | Maize | 15.12.2019 |

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, Mulugu |
| 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, Narayanpet |

ii. RWBCIS (Restructured Weather Based Crop Insurance Scheme)

Government of Telangana has issued notification (GO Rt 157 dt 03.05.2019) the Red Chilli, Cotton, Oil Palm, Sweet Orange and Tomato in selected Districts under RWBCIS during Kharif 2019 season. Further, the claims under RWBCIS (Restructured Weather Based Crop Insurance Scheme) shall be settled on the basis of weather data furnished by the state TSDPS/ State Government. Mandal Level Rain gauge Stations/ IMD weather Stations for the notified crops and Districts and not on the basis of crop cutting experiments (CCEs) for yield estimations, individual declaration of crop damage, Annavari / paisawari certificate / Gazette Notification declaring the area drought / flood/cyclone affected etc., issued by the Government. Operational Guidelines of the Scheme, Empanelled General Insurance Companies as implementing Agency are detailed in the GO(Annexure "L").

Cut-off dates for Loanee and non-Loanee farmers for payment of premium:

To maintain seasonality discipline, the following cut-off dates for loanee and non-loanee farmers for Kharif-2019 & Rabi-2019-20 under RWBCIS:

| No. | Crop | Cut-off date |
|-----|--------------|--------------|
| 1 | Cotton | 15.07.2019 |
| 2 | Red chilly | 31.08.2019 |
| 3 | Sweet Orange | 09.08.2019 |
| 4 | Oil palm | 14.07.2019 |
| 5 | Tomato | 31.08.2019 |
| 6 | Tomato-Rabi | 30.11.2019 |
| 7 | Mango-Rabi | 31.12.2019 |

d: Education Loans:**Credit Flow - Education Loans:****(Rs. In cr)**

| Category | Outstanding | | Disbursements 01.01.19 to 31.03.19 | | Disbursements 01.04.18 to 31.03.19 | | Overdues | | | NPAs | | |
|--------------|----------------|----------------|--|---------------|--|---------------|----------------|---------------|---------------|----------------|---------------|--------------|
| | No. of a/c. | Amount | No. of a/c. | Amount | No. of A/cs | Amount | No. of a/c. | Amount | % | No. of a/c. | Amount | % |
| Priority | 61847 | 2929.16 | 3990 | 148.52 | 14337 | 533.56 | 12228 | 489.51 | 16.71% | 6060 | 145.47 | 4.97% |
| Non-priority | 15087 | 1380.13 | 409 | 15.88 | 2032 | 163.53 | 688 | 111.89 | 8.11% | 200 | 19.48 | 1.41% |
| Total | 76934 | 4309.29 | 4399 | 164.40 | 16369 | 697.09 | 12916 | 601.40 | 13.96% | 6260 | 164.95 | 3.83% |

- ❖ As at the end of March 2019, banks have outstanding Education Loans of 76,934 beneficiaries amounting to Rs. 4,309.29 cr.
- ❖ During the quarter under review, banks have disbursed an amount of Rs. 164.40 cr to 4,399 beneficiaries
- ❖ Overdues at Rs.601.40 cr constitute 13.96% of outstandings.
- ❖ NPAs at a level of Rs.164.95 cr constitute 3.83% of outstandings.

Credit Flow - Housing Sector (General):**(Rs. In cr)**

| Category | Outstanding | | Disbursements 01.01.19 to 31.03.19 | | Disbursements 01.04.18 to 31.03.19 | | Overdues | | | NPAs | | |
|--------------|----------------|-----------------|---------------------------------------|----------------|--|-----------------|----------------|----------------|--------------|----------------|---------------|--------------|
| | No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| Priority | 260004 | 23848.43 | 10329 | 1625.88 | 57229 | 5848.67 | 59616 | 2959.08 | 12.41% | 41274 | 573.86 | 2.41% |
| Non-priority | 468570 | 31435.76 | 2029 | 1113.91 | 15733 | 6803.48 | 13534 | 1841.71 | 5.86% | 2077 | 336.72 | 1.07% |
| Total | 728574 | 55284.19 | 12358 | 2739.79 | 72962 | 12652.15 | 73150 | 4800.79 | 8.68% | 43351 | 910.58 | 1.65% |

- ❖ As at the end of March 2019, Outstanding Housing Loans by banks to 7,28,574 beneficiaries is at Rs. 55,284.19 cr.
- ❖ During the quarter under review, banks have disbursed an amount of Rs. 2,739.79 cr to 12358 beneficiaries
- ❖ Overdues at Rs. 4,800.79 cr constitute 8.68% of outstandings.
- ❖ NPAs with an amount of Rs. 910.58 cr constitute 1.65% of the Housing Loans outstandings.

Credit flow to others:**Credit Flow - Weaker Sections:****(Rs. In cr)**

| Outstanding | | Disbursements 01.01.19 to 31.03.19 | | Disbursements 01.04.18 to 31.03.19 | | Overdues | | | NPAs | | |
|----------------|----------|--|---------|---------------------------------------|----------|----------------|---------|--------|----------------|---------|-------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 4266008 | 45827.81 | 321134 | 3489.27 | 1567969 | 15367.34 | 798110 | 6986.42 | 15.24% | 256026 | 1691.69 | 3.69% |

- ❖ As at the end of March, 2019, outstanding credit to 42,66,008, weaker section borrowers is at Rs.45,827.81 cr.

- ❖ During the quarter under review, banks have disbursed an amount of Rs. 3,489.27 cr to 3,21,134 borrowers
- ❖ Overdues at Rs. 6,986.42 cr constitute 15.24% of outstandings.
- ❖ NPAs at a level of Rs. 1,691.69 cr constitute 3.69% of outstandings.

Credit Flow - Women:**(Rs. In cr)**

| Outstanding | | Disbursements 01.01.19 to 31.03.19 | | Disbursements 01.04.18 to 31.03.19 | | Overdues | | | NPAs | | |
|----------------|----------|--|---------|--|----------|----------------|---------|--------|----------------|---------|-------|
| No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | No. of A/cs | Amount | % | No. of A/cs | Amount | % |
| 2437842 | 32146.53 | 182041 | 3312.80 | 895020 | 12676.05 | 485917 | 5186.95 | 16.14% | 153973 | 1025.34 | 3.19% |

- ❖ As at the end of March, 2019, outstanding credit to 24,37,842 women beneficiaries is at Rs.32,146.53 cr.
- ❖ During the quarter under review, banks have disbursed an amount of Rs.3,312.80 cr to 1,82,041 beneficiaries. Rs.12,676.05 was disbursed to 8,95,020 women beneficiaries during the current Financial Year.
- ❖ Overdues at Rs. 5,186.95 cr constitute 16.14% of outstandings.
- ❖ NPAs at a level of Rs. 1,025.34 cr constitute 3.19% of outstandings.

Agenda 5: 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%. Hence no special Sub-committee(s) was formed at district level.

Agenda 6: Position of NPAs in respect of Schematic lendings -

The scheme wise performance, Overdues and level of NPAs under Government sponsored schemes was discussed in the Sub Committee meeting on MSME held on 22nd May 2019 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 "K"**

Agenda 7: Review of Restructuring of loans in Natural Calamity affected districts, if any

Reserve Bank of India vide their letter No FIDD(H)/LBS.NO. 305/02.03.020/2018-19 dated 28.02.2019 advised banks to upload district wise data on relief measures extended by banks on account of Natural Calamities in **Natural Calamity Portal of RBI (<https://dbie.rbi.org.in/DCP/>) every quarter** (by 10th of the following month after the end of the quarter).

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

i) Revised guidelines prescribing eligibility criteria of housing loans for classification under priority sector. (RBI/2018-19/179 FIDD.CO.Plan.BC.18 /04.09.01/2018-19)

RRBs and SFBs, housing loans to individuals up to ₹ 35 lakh in metropolitan centres (with population of ten lakh and above) and ₹ 25 lakh in other centres, provided the overall cost of the dwelling unit in the metropolitan centres and at other centres does not exceed ₹ 45 lakh and ₹ 30 lakh, respectively will be eligible for classification under Priority Sector Lending.

The existing family income limit of ₹ 2 lakh per annum, prescribed under Para 9.4 of the above Master Direction for RRBs/Para 5.4 of the Compendium for SFBs, eligible for loans to housing projects exclusively for the purpose of construction of houses for Economically Weaker Sections (EWS) and Low Income Groups (LIG), is revised to ₹ 3 lakh per annum for EWS and ₹ 6 lakh per annum for LIG, in alignment with the income criteria specified under the Pradhan Mantri Awas Yojana.

ii) The limit for collateral free agricultural loans from the existing level of ₹1 lakh to ₹1.6 lakh. Accordingly, banks may waive margin requirements for agricultural loans upto ₹1.6 lakh.(Cir. No. RBI/2018-19/118FIDD.CO.FSD.BC.No.13/05.05.010/2018-19 dt. February 7, 2019)

iii) To extend the facilities of Kisan Credit Card (KCC) to Animal Husbandry farmers and Fisheries (AH & F) to help them meet their working capital/short term credit requirements for rearing of animals, birds, fish, shrimp, other aquatic organisms, capture of fish(Cir. No. RBI/2018-19/112 FIDD.CO.FSD.BC. 12 /05.05.010/2018-19 February 04, 2019)

Agenda 9: MSME Support and Outreach Campaign

Government of India launched a support and outreach programme for the Micro, Small and Medium Enterprises (MSME) sector on 2nd November, 2018. As part of this programme, the Prime Minister unveiled 12 key initiatives addressing five key aspects for facilitating the sector. These include access to credit, access to market, technology upgradation, ease of doing business, and a sense of security for employees. MSME Support & Outreach programme is aimed at synergising the Government's efforts by bringing together various Central Ministries, State Governments, Lenders and Private Sector to provide implementable multi-dimensional solutions for MSMEs. MSME Support & Outreach portal intensively monitors the status of implementation of the **programme across 3 districts of Telangana State. The Campaign ended on 28.02.2019.**

Performance under the following Schemes during the campaign period is regularly reviewed by DFS.

- a) 59 Minute Loans
- b) Loans under Pradhan Mantri Mudra Yojna (PMMY)
- c) Loans under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
- d) Social Security Schemes
- e) Loans under PMEGP
- f) Restructured Loans

| 59 MINUTE LOANS- Banks Performance during the Campaign (Amount in Lacs) | | | | | |
|--|-------------|------------------------------------|-------------------|-----------------|------------------|
| S.No | District | No. of loans in Principle Approval | Amount Sanctioned | Number of Loans | Amount Disbursed |
| 1 | Hyderabad | 1035 | 15457.26 | 476 | 2275.92 |
| 2 | Karimnagar | 39 | 1481.61 | 32 | 0.00 |
| 3 | Ranga Reddy | 158 | 2634.53 | 75 | 371.19 |
| | Total | 1232 | 19573.40 | 583 | 2647.11 |

| PMMY- Performance of Banks during the campaign (Amount in Lacs) | | | |
|--|-------------|-----------------|------------------|
| S.No | District | Number of Loans | Amount of Loans |
| 1 | Hyderabad | 527836 | 201919.00 |
| 2 | Karimnagar | 4195 | 7994.00 |
| 3 | Ranga Reddy | 8677 | 26548.00 |
| | Total | 540708 | 236461.00 |

| CGTMSE- Banks performance during the Campaign (Amount in Lacs) | | | |
|---|-------------|---------------------------|---------------------------|
| S.No | District | Number of Loans to CGTMSE | Amount of Loans to CGTMSE |
| 1 | Hyderabad | 472 | 10131.92 |
| 2 | Karimnagar | 34 | 297.28 |
| 3 | Ranga Reddy | 217 | 2529.09 |
| | Total | 723 | 12958.29 |

- ❖ Jan Dhan Pradhan Mantri Jeevan Jyoti Bima Yojna (PMJJBY)
- ❖ Pradhan Mantri Suraksha Bima Yojana (PMSBY)

| SOCIAL SECURITY SCHEMES | | | | |
|--------------------------------|-------------|--------------|-------------|--------------|
| S.No | District | PMSBY | PMJJBY | PMJDY |
| 1 | Hyderabad | 2177 | 1257 | 4426 |
| 2 | Karimnagar | 584 | 340 | 1620 |
| 3 | Ranga Reddy | 12917 | 6864 | 13209 |
| | Total | 15678 | 8461 | 19255 |

| PMEGP- Performance of Banks during the campaign (Amount in Lacs) | | | |
|---|-------------|-----------------|-----------------|
| S.No | District | Number of Loans | Amount of Loans |
| 1 | Hyderabad | 7 | 54.32 |
| 2 | Karimnagar | 37 | 497.14 |
| 3 | Ranga Reddy | 12 | 103.39 |
| | Total | 56 | 654.85 |

| RESTRUCTURED – Banks performance during the Campaign (Amount in Lacs) | | | |
|--|-----------------|------------------------|------------------------|
| S.No | District | Number of Loans | Amount of Loans |
| 1 | Hyderabad | 190 | 511.08 |
| 2 | Karimnagar | 2 | 1.50 |
| 3 | Ranga Reddy | 48 | 299.92 |
| | Total | 240 | 812.50 |

Agenda 10: Improving Rural Infrastructure

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:

| 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 | 8084.33 | 7387.50 |
| 6 | Total | 402211 | 698402.34 | 563949.30 |

The sector wise Credit potential assessed for the State for the year 2019-20 is as under:

Sector-wise Projections of credit potential for 2019-20

(Amount in ₹Crore)

| Sr. No. | Particulars | Projections 2019-20 |
|----------------|---|----------------------------|
| A | Agriculture | |
| 1 | Farm Credit | |
| a | Crop Production, Maintenance and Marketing | 49785.59 |
| b | Water resources | 911.95 |
| c | Farm Mechanization | 2833.47 |
| d | Plantation and Horticulture including Sericulture | 1259.94 |
| e | Forestry and Wasteland Development | 99.57 |
| f | Animal Husbandry - Dairy | 1776.94 |
| g | Animal Husbandry - Poultry | 857.88 |
| h | Animal Husbandry - Sheep, Goat, Piggery etc. | 1070.40 |
| i | Fisheries | 120.53 |
| j | Farm Credit-Others | 2741.24 |
| | Sub Total (a to j) | 61457.51 |
| 2 | Agriculture Infrastructure | |
| a | Construction of Storage and Marketing Infrastructure | 1401.64 |
| b | Land Development, Soil Conservation and Watershed Development | 527.64 |

| | | |
|----------|--|------------------|
| c | Agriculture Infrastructure - Others | 389.09 |
| | Sub Total (2a+2b+2c) | 2318.37 |
| 3 | Agriculture - Ancillary Activities | |
| a | Food and Agro processing | 1145.98 |
| b | Agriculture Ancillary Activities - Others | 6043.31 |
| | Sub Total (3a+3b) | 7189.29 |
| | Total Agriculture (A1+A2+A3) | 70965.17 |
| B | Micro, Small and Medium Enterprises (MSME) | 21065.98 |
| C | Export credit | 0.00 |
| D | Education | 2009.41 |
| E | Housing | 5834.94 |
| F | Renewable Energy | 317.38 |
| G | Others | 176.80 |
| H | Social Infrastructure involving bank credit | 1008.92 |
| | Total Priority Sector (A to H) | 101378.60 |

Under RIDF, NABARD has sanctioned to Mission Bhagiratha - Intra Village Projects under the last three RIDF Tranches viz. RIDF XXII, XXIII and XXIV. The total loan assistance sanctioned to Mission Bhagirathais to the extent of `3294.04 crore for 279 (no of mandals) Intra Village works as on 31 March 2019.

The DDMs of NABARD have also identified the sector/sub-sector-wise infrastructure gaps, which have been covered in detail in the State Focus Paper prepared by NABARD for the year 2019-20.

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 March 2019, RSETI performance is as under:

- Against a target of 248 programmes, 245 programmes were conducted.
- Training provided to 6,864 candidates against a target of 6,400 consisting of 3,533 male candidates and 3,331 female candidates.
- Out of 6,864 candidates, 6,494 candidates belongs to Below Poverty Line.
- Out of 6,864 candidates, 2,432 candidates belong to SC category; 815 - ST category; 2,950 - OBC category; and 311 -Minority Category.

Pending reimbursement of Claims:

10 RSETIs together have to receive pending dues to the tune of Rs. 778.25 lac (SBI Rs. 690.04 lac & Andhra Bank Rs.88.21 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 records, progress in digitalization of land records and seamless loan disbursement

Project Director- Dharani, o/o CCLA convened a meeting of major banks to display the Dharani Portal and Banks have suggested certain modifications to the fields. It is informed that the changes sought have been made and advised that updated land records are made available in CCLA Site under 'Know your Land Status' for information on present status of land records i.e. Pahani & ROR-1B. It is further advised that o/o CCLA sought permission of the Government for allowing Banks to access the Dharani as the Dharani is not yet made available for the public.

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

The details of DCC / DLRC meetings held in various districts are given in **Annexure "K"**
The DLRC meetings for the quarter ended March, 2019 could not be conducted in Jogulamba Gadwal district. The matter has been taken up with the LDM 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.

Agenda : 15 Doubling of farmers income

Doubling of farmers' income as a national objective was announced in the Budget 2016-17, wherein the finance minister announced the intent of the government to double farmers' income by 2022. In the same context, it is imperative to address various dimensions in both farm and non-farm sectors effectively, to increase farmers income on a sustainable basis. In this regard, NABARD and the Government of Telangana has taken a multitude of initiatives to make the vision of Doubling of farmer's income a reality.

Big focus on irrigation with large budgets, with the aim of more crop per drop:

As part of PMKSY, NABARD is identified irrigation projects under the state under LTIF and is funding the early completion of such projects. In addition to this, NABARD is giving importance to Micro-irrigation (MI) as it ensures water use efficiency and greater profits to the farmer. The Govt. of Telangana State (GoTS) is implementing the "Telangana State Micro Irrigation Project" in the state, for enhancing crop productivity of horticultural crops by improving water and fertilizer use efficiency and expanding area under horticultural crops in the state. NABARD has sanctioned a project to TSHDCL (Telangana State Horticulture Development Corporation Limited (**TSHDCL**)) for covering an area of 1,39,000 ha under MI systems (both drip and sprinklers) with a project cost of ₹1092.00 crore, which is funded by ₹874.00 crore of loan under NIDA (80% of the project cost), ₹126.00 crore from State Govt and ₹ 92 crore from participating farmers.

Support to Institutions that cater to farmers:

There are various institutions that aims to holistically support the farmers from providing inputs to marketing the produce. This ensures that farmers are assured higher income for their produce as they are now able to bypass middle men and are reap benefits of aggregation. NABARD endeavors to support efforts of these institutions by providing financial and non-financial support. Under CFF(Credit Facility to Federation), NABARD had provided a short term working capital credit facility of ₹30.00 crore to Telangana State Dairy Development Corporation Ltd. (TSDDCFL) popularly known as “Vijaya Dairy” for procurement & processing of milk and purchase of raw materials during 2017-18. The 1st State Project Screening and Review Committee (SPSRC) of Dairy Infrastructure Development Fund (DIDF) was conducted on 25.04.2019 under the chairmanship of the Chief Secretary, GoTS. The meeting was attended by all the committee members including CGM, NABARD. NDDDB had presented before the committee the proposals received from (i) the Telangana State Dairy Development Cooperative Federation Limited (Vijaya Dairy) for establishing new dairy plant of 5 LLPD expandable to 8 LLPD, a UHT plant of 1 LLPD & an Ice cream plant of 5 TLPD ii) the Mulkanoor Women’s Mutually Aided Milk Producers Co-operative Union Limited (Mulkanoor) for expanding existing dairy plant from 0.5 LLPD to 1.00 LLPD, setting up of Curd Plant of 15 TLPD and Strawberry Flavoured Milk of 2 TLPD and (iii) Nalgonda-Ranga Reddy Milk Producers Mutually Aided Co-operative Union Limited (NARMUL) for establishing new curd plant of 20 TLPD. The support recommended by the Committee under DIDF for these institutions is Rs 144.50 crore for Vijaya Dairy, Rs 9.60 crore for Mulkanoor and Rs 2.60 crore for NARMUL. Since, the Committee has approved the 03 proposals, the same will now be placed before the PSC of NDDDB for internal approval before submitting to NABARD for support under DIDF. Once approved it is expected, that this would facilitate the banks to extend finance to the dairy sector.

Large investments in warehousing and cold chains to prevent post-harvest crop losses:

Storage is crucial for efficient logistics, maintenance of buffer stocks and effective delivery of Government schemes such as Public Distribution System etc. Storing agricultural produce effectively while minimizing post-harvest losses requires scientific augmentation of food grain and other perishable items. TelanganaGovt has availed a loan of ₹.972.79 crore under WIF for creating 364 warehouses with 18.23 lakh MT of dry storage capacity. Release during the year, 2018-19 is ₹21.28 crore. Cumulative release under the project stands at ₹776.14 crore. In addition, NABARD indicates the district-wise critical infrastructure required in the state for substantive transformation in the Agricultural Sector.

Creation of a national market and removing distortions:

Adequate marketing facilities has always been an impediment in farmers realizing the true value of their produce. A variety of intermediaries leads to distortions in the supply chain. In this regard, creation of an Electronic National Agricultural Market has been envisaged to seamlessly integrate APMCs on an electronic market and facilitate bidding of agricultural produce. The Union budget 2018-19 announced the setting up Agri-Market Infrastructure Fund with a corpus of Rs 2,000 cr in NABARD for developing and upgrading agriculture marketing infrastructure in the 22,000 Grameen Agriculture Markets (GrAMs) and 585 APMC. This fund will help in creating further scope for financing market infrastructure projects to small and marginal farmers. Five APMCs are connected to eNAM on pilot basis covering paddy, turmeric, maize and onion.

Financing of innovative projects:

In addition to the traditional approaches, NABARD also gives importance on new and innovative techniques to increase farmers’ income. For example, in Nalgonda district, NABARD funded a pilot project “**High Density Multicrop Vegetable Cultivation for Sustainable Livelihood and Augmented**

Income in Rural Areas”, to encourage farmers towards High Density Multiple vegetable Cultivation for sustainable livelihood and augmented income in rural areas. This is expected to dissuade the farmers from adopting Monoculture practices. The package of practices would involve innovative technologies such as integrated pest management, Mulching, Drip & fertigation, Semi permanent Pandal system etc. It is expected that once the established mechanism is facilitated, the farmers will sell their produce by themselves within the village or nearby towns or supply to super markets for better prize to the produce by avoiding middle man intervention. This will lead to enhancement of profitability in turn leading to replicability of the procedures.

Focus on Research and Development:

Breakthroughs in Research and development is absolutely essential to break the technological barriers to the objective of “Doubling farmer’s income” and ensure increased income to farmers in the form of better quality seeds, climate smart agriculture techniques, improved Agricultural practices etc. In this Context too, NABARD is playing a major role along with major Agricultural Universities of the state. NABARD is planning to provide grant support to Sri Konda Laxman Telangana State Horticulture University - Turmeric Research Station (AICRP on Spices), Kammarpally on **“Production and multiplication of pure turmeric varieties of high yielding and high curcumin varieties for Telangana state in Nizamabad District.** This is expected to accelerate the production of high yielding and high curcumin varieties for Telangana state, which will lead to high income generation to the farmers in the state.

Doubling of farmers’ income is not an easy objective to fulfill for sure. Focused and innovative interventions on various dimensions of farm and non-farm sector activities by stake holders including Banks and Government will go a long way in making the vision a reality.

Financing of FPOs

The **Government of India** in Union Budget for 2014-15, announced setting up of **“Producers Organization Development and Upliftment Corpus (PRODUCE)”** Fund of Rs. 200 crore in NABARD to be utilized for the promotion of 2000 Farmer Producer Organizations (FPOs) across the country. Accordingly, NABARD has promoted and nurtured 2074 FPOs in the country. NABARD, Telangana RO has promoted 370 FPOs and out of which 333 are registered.

Spatial Spread of FPCs Promoted in Telangana

| Sr.No | District (Undivided) | No. of FPOs |
|--------------|-----------------------------|--------------------|
| 1 | Adilabad | 24 |
| 2 | Karimnagar | 28 |
| 3 | Khammam | 27 |
| 4 | Medak | 49 |
| 5 | Mahbubnagar | 56 |
| 6 | Nalgonda | 43 |
| 7 | Nizamabad | 40 |
| 8 | Rangareddy | 33 |
| 9 | Warangal | 70 |
| | Total | 370 |

Some encouraging highlights

- 2 FPOs with Membership of 1000 or more and Equity of Rs. 10 Lakh or more
- 24 FPOs with Membership of 500 to 1000 and Equity more than Rs. 5 Lakh
- 25 FPOs with Membership of 300 to 500 and Equity of Rs. 3 Lakh – Rs. 5 Lakh

- 12 FPOs have been successfully Credit Linked with the formal banking channel. Credit totalling to Rs. 1067.03 lakh has been sanctioned by Adilabad DCCB, NABKISAN, APGVB, TGB and NABSAMRUDDHI
- 48 FPOs registered and have started trading on e-NAM platform
- Zaheerabad Farmer Producer Company has been awarded as one of the best FPOs at all India level by NABARD in FY 2018-19

Convergence with State Government Department/ other agencies

1. Tribal Welfare Department, GoTS

Telangana RO has initiated process of convergence with state government for development of tribal FPOs through grant support for their infrastructure related needs. As part of the convergence, of the total outlay of Rs. 60 lakh per FPO, Rs. 36 lakh (60%) would be provided as grant by Tribal Welfare Dept, GoTS, Rs. 18 lakh (30%) would be term loan assistance through NABKISAN/ any other banking channel and the balance Rs. 6 lakh (10%) would be contribution by the FPO concerned.

2. IFFCO

Conducted State Level convergence meet on 18.04.2019 with IFFCO followed by District level meetings for linking licensed FPOs to IFFCO for input dealership.

Rational behind farmer collectives/FPOs

- 1) Inputs can be procured at a lesser price by farmers and at right time.
- 2) Produce can be aggregated leading to reduction in marketing cost
- 3) Advisory services and modern technology can be made available to farmers through FPO
- 4) Reduction in postharvest losses leading to added income realisation of farmers. FPOs can set up own storage facility at can rent out to members at minimal cost.
- 5) FPOs can provide financial services to members against the produce stock.
- 6) Better price realisation to farmers through contract farming and MoUs.
- 7) FPOs can setup own primary processing centre for drying, cleaning and grading
- 8) FPOs can lead to better price realisation for farmers through brand building, packaging, labelling, standardisation and quality control.

Credit linked grant support to PO by NABARD

NABARD provides a credit linked grant support to FPOs provided the loan is availed for certain shortlisted activities like training and capacity building of CEO and BoD members, establishing market linkages, project report preparation of FPO etc. An amount of maximum of 20% of the loan amount is provided as grant to FPOs.

Opportunity for bankers

NABARD TSRO has promoted 370 FPOs in the state. 32 FPOs as annexed have matured into sustainable business entity. The initial grant support provided by NABARD has addressed the formative requirements of FPOs, but in order to scale the business, an incremental credit support is required.

Agenda 16: Success Stories**Sri Kadaboina Srinivas, Raghavapur (Village), Siddipet Mandal & District****Activity : Cell phone repair & service shop**

Mr.K.Srinivas of Raghavapur village hails from a below middle class family and unemployed. He had a strong desire to be a self employed and successful in life. He underwent training programme in Cell Phone Repairs & Service at RSETI, Siddipet. During the training he was very enthusiastic, active and taken keen interest to learn all aspects of the course. After completion of the course, he had setup a Cell Phone Service and repair shop. Now he is able to earn around Rs.18,000/-per month to meet his family needs.

**Smt.M. Aswini W/o Sekhar Reddy, Saketh Nagar (V) Vikarabad Mandal & District.****Activity: Ladies Tailoring**

Smt. M. Aswini belongs to a middle class family. She studied upto 10th Class and could not continue further studies due to financial problems. She came to know about the self employment training programmes being conducted by RSETI, Chilkur through News paper. She joined in women's tailoring course at RSETI, Chilkur and completed the course successfully. After completion of the course, she had set up a ladies tailoring shop with her own funds. At present she is able to earn Rs500/- to Rs600/- per day to maintain her family.

**Smt. Nasreen R/o Alguna (Village),Thimmapur (M) Karimnagar District:****Activity : Jute Bag Manufacturing**

Smt Nasreen, a 29 year old middle class Woman from Alguna (Vill), Thimmapur (Mndl),Karimnagar (Dist),has studied up to SSC. She has three children and her husband is a private employee. His earnings are not sufficient to meet family needs. Hence, she underwent a training programme in Jute Product Udyami and completed successfully. After completion of training she started her own Jute Bags manufacturing from home under the name **"NASREEN JUTE BAGS"** with an investment of Rs.100,000/-. She started stitching of all types of Bags, Tiffin Bags, Purses for ladies & kids and able to earn Rs15,000/- per month



Smt V. Bhagya Laxmi, R/o Gundaram Village, Siddipet District
Activity : Jute products Training Programme

Smt.V.Bhagya Laxmi is a housewife & her husband is an auto driver. She studied upto 7th Standard. As her spouse income is not sufficient to meet family requirements, she intended to undertake some income generating activity. She attended the awareness programme conducted by RSETI, Siddipet and enrolled her name for Jute Products Training Programme. During the training programme, she learned all the technical aspects as well as business aspects like entrepreneurial competencies, EDP Inputs etc. After completion of the training programme, she established a Jute Products unit with her own funds of Rs.50000/- and started earning Rs. 15,000/-per month from the activity.



Sri. T. Srikanth R/o Mosra (Village), Varni (Mandal), Nizamabad District
Activity : Xerox Shop

Sri. T. Srikanth studied up to Intermediate. He came to know about RSETI, Dichpally from his friends. He attended one month training programme conducted by RSETI for Cell phone repairs and service. After completion of the training course successfully, he established a Cell Phone Repairs and servicing shop with his own funds in the name of “SRI ANJANEYA CELL CARE- MOBILE ACCESSORIES SALES &SERVICES” at Nizamabad and he is now able to earn Rs. 15000/- & above per month



Agenda 17: Important Circulars issued by RBI

| Circular Number | Date Of Issue | Department | Subject |
|---|---------------|--|--|
| <u>RBI/2018-2019/184</u> | 16.5.2019 | Department of Non Banking Regulation | Risk Management System – Appointment of Chief Risk Officer (CRO) for NBFCs |
| <u>DNBR (PD) CC. No.099/03.10.001/2018-19</u> | | | |
| <u>RBI/2018-2019/183</u> | 14.5.2019 | Department of Currency Management | Outsourcing of Cash Management – Reconciliation of Transactions |
| <u>DCM (Plg) No.2746/10.25.07/2018-19</u> | | | |
| <u>RBI/2018-2019/181</u> | 08.5.2019 | Department of Banking Regulation | Disclosure on Exposure to Infrastructure Leasing & Financial Services Limited (ILFS) and its group entities |
| <u>DBR.BP.BC.No.38/21.04.048/2018-19</u> | | | |
| <u>RBI/2018-2019/179</u> | 06.5.2019 | Financial Inclusion and Development Department | Priority Sector Lending – Targets and Classification |
| <u>FIDD.CO.Plan.BC.18/04.09.01/2018-19</u> | | | |
| <u>RBI/2018-2019/177</u> | 26.4.2019 | Financial Markets Regulation Department | Legal Entity Identifier: Extension of deadline |
| <u>FMRD.FMID.No.15/11.01.007/2018-19</u> | | | |
| <u>RBI/2018-2019/176</u> | 25.4.2019 | Financial Markets Regulation Department | Investment by Foreign Portfolio Investors (FPI) in Debt - Review |
| <u>A.P. (DIR Series) Circular No. 33</u> | | | |
| <u>RBI/2018-2019/175</u> | 24.4.2019 | Department of Banking Regulation | Disclosure on Exposure to Infrastructure Leasing & Financial Services Limited (ILFS) and its group entities |
| <u>DBR.BP.BC.No.37/21.04.048/2018-19</u> | | | |
| <u>RBI/2018-2019/170</u> | 16.4.2019 | Department of Non Banking Regulation | Licensing as Authorised Dealer- Category II |
| <u>DNBR (PD) CC.No.098/03.10.001/2018-19</u> | | | |
| <u>RBI/2018-2019/169</u> | 16.4.2019 | Department of Banking Regulation | Exclusion of “DBS Bank Ltd” from the Second Schedule of the Reserve Bank of India Act, 1934 |
| <u>DBR.No.Ret.BC.36/12.06.096/2018-19</u> | | | |
| <u>RBI/2018-2019/167</u> | 11.4.2019 | Foreign Exchange Department | Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) Regulations, 2015 - Opening of Foreign Currency Accounts by Re-insurance and Composite Insurance brokers |
| <u>A.P.(DIR Series) Circular No.29</u> | | | |
| <u>RBI/2018-2019/166</u> | 08.4.2019 | Department of Currency Management | Minimum Standards for a Currency Chest |
| <u>DCM (CC) No.2482/03.39.01/2018-19</u> | | | |
| <u>RBI/2018-2019/164</u> | 04.4.2019 | Department of Banking Regulation | Basel III Framework on Liquidity Standards - Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards |
| <u>DBR.BP.BC.No.34/21.04.098/2018-19</u> | | | |

| | | | |
|---|-----------|--|--|
| <u>RBI/2018-2019/163</u> | 04.4.2019 | Monetary Policy Department | Standing Liquidity Facility for Primary Dealers |
| <u>REF.No.MPD.BC.386/07.01.279/2018-19</u> | | | |
| <u>RBI/2018-2019/162</u> | 04.4.2019 | Department of Banking Regulation | Change in Bank Rate |
| <u>DBR.No.Ret.BC.33/12.01.001/2018-19</u> | | | |
| <u>RBI/2018-2019/161</u> | 04.4.2019 | Financial Markets Operation Department | Marginal Standing Facility |
| <u>FMOD.MAOG.No.131/01.18.001/2018-19</u> | | | |
| <u>RBI/2018-2019/160</u> | 04.4.2019 | Financial Markets Operation Department | Liquidity Adjustment Facility – Repo and Reverse Repo Rates |
| <u>FMOD.MAOG.No.130/01.01.001/2018-19</u> | | | |
| <u>RBI/2018-2019/158</u> | 01.4.2019 | Financial Inclusion and Development Department | Assignment of Lead Bank Responsibility |
| <u>FIDD.CO.LBS.BC.No.17/02.08.01/2018-19</u> | | | |
| <u>RBI/2018-2019/157</u> | 01.4.2019 | Department of Banking Regulation | Disclosure in the "Notes to Accounts" to the Financial Statements - Divergence in the asset classification and provisioning |
| <u>DBR.BP.BC.No.32/21.04.018/2018-19</u> | | | |
| <u>RBI/2018-2019/156</u> | 01.4.2019 | Department of Banking Regulation | Large Exposures Framework (LEF) |
| <u>DBR.No.BP.BC.31/21.01.003/2018-19</u> | | | |
| <u>RBI/2018-2019/155</u> | 28.3.2019 | Foreign Exchange Department | Foreign Exchange Management (Deposit) Regulations, 2016 - Opening of NRO Accounts by Long Term Visa (LTV) holders, changes related to Special Non-Resident Rupee (SNRR) Account and Escrow Account |
| <u>A.P.(DIR Series) Circular No.28</u> | | | |
| <u>RBI/2018-2019/154</u> | 28.3.2019 | Foreign Exchange Department | Establishment of Branch Office (BO) / Liaison Office (LO) / Project Office (PO) or any other place of business in India by foreign entities |
| <u>A.P. (DIR Series) Circular No. 27</u> | | | |
| <u>RBI/2018-2019/153</u> | 28.3.2019 | Department of Payment and Settlement Systems | Special Clearing operations on March 30 and 31, 2019 |
| <u>DPSS.CO.RPPD.No./2089/03.01.03/2018-19</u> | | | |
| <u>RBI/2018-2019/152</u> | 27.3.2019 | Financial Markets Regulation Department | Investment by Foreign Portfolio Investors (FPI) in Government Securities Medium Term Framework |
| <u>A.P. (DIR Series) Circular No. 26</u> | | | |
| <u>RBI/2018-2019/151</u> | 27.3.2019 | Financial Markets Regulation Department | Non-resident Participation in Rupee Interest Rate Derivatives Markets (Reserve Bank) Directions, 2019 |
| <u>FMRD.DIRD.13/14.03.041/2018-19</u> | | | |
| <u>RBI/2018-2019/150</u> | 26.3.2019 | Department of Banking Regulation | All Agency Banks to remain open for public on March 31, 2019 (Sunday) |
| <u>DBR.No.Leg.BC.30/09.07.005/2018-19</u> | | | |

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| <u>RBI/2018-2019/149</u> | 26.3.2019 | Department of Government and Bank Accounts | Annual Closing of Government Accounts – Transactions of Central / State Governments – Special Measures for the Current Financial Year (2018-19) |
| <u>DGBA.GBD.No.2430/42.01.029/2018-19</u> | | | |
| <u>RBI/2018-2019/148</u> | 26.3.2019 | Department of Banking Regulation | Inclusion of “DBS Bank India Limited” in the Second Schedule of the Reserve Bank of India Act, 1934 |
| <u>DBR.No.Ret.BC.28/12.06.096/2018-19</u> | | | |
| <u>RBI/2018-2019/147</u> | 25.3.2019 | Financial Inclusion and Development Department | Assignment of SLBC/UTLBC Convenorship – State of Gujarat and Union Territories of Daman & Diu and Dadra & Nagar Haveli |
| <u>FIDD.CO.LBS.BC.No.16/02.01.001/2018-19</u> | | | |
| <u>RBI/2018-2019/146</u> | 22.3.2019 | Department of Banking Regulation | Deferral of Implementation of Indian Accounting Standards (Ind AS) |
| <u>DBR.BP.BC.No.29/21.07.001/2018-19</u> | | | |
| <u>RBI/2018-2019/145</u> | 20.3.2019 | Foreign Exchange Department | Compilation of R>Returns: Reporting under FETERS |
| <u>A.P. (DIR Series) Circular No. 25</u> | | | |
| <u>RBI/2018-2019/144</u> | 20.3.2019 | Foreign Exchange Department | Export and Import of Indian Currency |
| <u>A.P. (DIR Series) Circular No. 24</u> | | | |
| <u>RBI/2018-2019/143</u> | 20.3.2019 | Department of Government and Bank Accounts | Reporting and Accounting of Central Government Transactions of March 2019 |
| <u>DGBA.GBD.No.2394/42.01.029/2018-19</u> | | | |
| <u>RBI/2018-2019/141</u> | 15.3.2019 | Financial Markets Regulation Department | Reserve Bank of India (Prevention of Market Abuse) Directions, 2019 |
| <u>FMRD.FMSD.11/11.01.012/2018-19</u> | | | |
| <u>RBI/2018-2019/140</u> | 13.3.2019 | Foreign Exchange Department | Trade Credit Policy – Revised framework |
| <u>A.P. (DIR Series) Circular No. 23</u> | | | |
| <u>RBI/2018-2019/138</u> | 07.3.2019 | Department of Payment and Settlement Systems | White Label ATMs (WLAs) in India – Review of Guidelines |
| <u>DPSS.CO.OD.No.1916/06.07.01/2018-19</u> | | | |
| <u>RBI/2018-2019/137</u> | 07.3.2019 | Financial Inclusion and Development Department | Interest Subvention Scheme for Short Term Crop Loans during the years 2018-19 and 2019-20 |
| <u>FIDD.CO.FSD.BC.No.15/05.02.001/2018-19</u> | | | |
| <u>RBI/2018-2019/136</u> | 01.3.2019 | Financial Markets Regulation Department | Hedging of exchange rate risk by Foreign Portfolio Investors (FPIs) under Voluntary Retention Route |
| <u>A.P. (DIR Series) Circular No. 22</u> | | | |
| <u>RBI/2018-2019/135</u> | 01.3.2019 | Financial Markets Regulation Department | ‘Voluntary Retention Route’ (VRR) for Foreign Portfolio Investors (FPIs) investment in debt |
| <u>A.P. (DIR Series) Circular No. 21</u> | | | |