

Minutes of the 25th SLBC Quarterly Meeting held on the 23rd December, 2019 to review the Performance of Banks for the quarter ended September 2019 @ 03.00PM, at “Peacock” Hall, Hotel Marigold, Greenlands, Begumpet, Hyderabad

The 25th Quarterly meeting of State Level Bankers' Committee, Telangana was held on 23rd December, 2019 at “Peacock Hall”, Hotel Marigold, Green lands, Begumpet, Hyderabad to review the performance of banks for the quarter ended September, 2019

Sri Om Prakash Mishra, Chief General Manager, SBI & President, SLBC extended welcome to Sri B. Ramesh Babu, DMD(COO) SBI, Sri K. Ramakrishna Rao, IAS, Principal Finance Secretary, Government of Telangana, Sri Subrata Das, Regional Director, RBI, Sri Lalit Kumar Chandel, IES, Economic Advisor & Jt. Secretary, DFS, Govt. Of India, Sri Rahul Bojja, IAS, Commissioner of Agriculture, Govt. of Telangana, Sri K I Shariff, General Manager, NABARD, Sri Sundaram Shankar, General Manager, Reserve Bank of India, Senior Officials of Public and Private Sector Banks/FIs, Senior Officials from Government of Telangana and the press. (Detailed list of participants is annexed).

Later, Sri P. Obul Reddy, AGM SLBC has made a detailed presentation on performance of Banks during the quarter September, 2019.

Sri K Rama Krishna Rao, Principal Finance Secretary, Govt. of Telangana said that;

- Banks achieved ACP targets around 70.39% in Kharif, 2019 and 23% in Rabi, 2019 as on date. Banks to give more thrust and push for extending Short Term Production loans in Rabi season and to surpass the target so as to achieve the overall targets under ACP of 2019-20.
- On a discussion of EMU farmers dues with Banks and farmers request for 50% relief from the Government of Telangana, he said the request of EMU farmers will be looked into and appropriate decision will be taken.

- Hon'ble Finance Minister had held a meeting with select Senior level officials of Public Sector Banks today before start of this Quarterly review meeting on various important issues and had fruitful discussions. The important issues focused during the meeting are as under:

AASARA PENSIONS: Controllers of Banks are advised to block accounts of deceased AASARA pensioners to stop further credit of pension amount and withdrawing the amount through ATMs or any other mode. SERP Department has to share the details of such Accounts. Banks were requested to refund the pension paid to deceased AASARA pensioner from the date of the death, subject to availability of balance.

INTEREST SUBVENTION: Pending VLR/PV would be given to Banks after getting data from the Bank about the Central Government Interest subvention.

CROP LOAN WAIVER SCHEME 2018:A committee of few Bankers and Agri/Finance Department under the guidance of Shri Rahul Bojja, Commissioner, Agriculture, GoT, to arrive at the broad modalities of Debt Waiver keeping in mind the audit observations.

GOVERNMENT DEPOSITS: Banks are once again reminded to share the details of Government deposits account wise, department and Branch wise on the portal.

RYTHU BANDHU KHARIF- 2018: Banks to verify their records and reconcile the accounts maintained with them by the State Government as they need to be audited and closed. Banks to be in readiness with data to refund the amount held with them.

Sri Rahul Bojja, Commissioner of Agriculture, Govt. of Telangana said that :

Poor performance under Agriculture Lending has also been discussed in Subcommittee meeting on Agriculture. Though issue of loan waiver is a major stumbling block, the performance of Banks under Agriculture this year is less than last year. Whereas this year, Hon'ble Chief Minister announced the cutoff date for Crop Loan waiver scheme as 11.12.2018 and made a request to all the farmers to renew the crop loans with the Banks. Despite awareness camps by banks and Government officials providing necessary clarity to the farmers to renew their Short Term Production loans and avail fresh crop loans etc., the progress is poor.

Banks have also been advised to promote coverage of Non loanee farmers under PMFBY. Banks to complete data entry in PMFBY portal in time i.e., before cut off dates of respective crops as Agriculture department every year has been requesting the Government of India to extend the time/open the portal when it is closed. This is causing lot of confusion between insurance companies and banks and creating problems in reconciliation of the premium. Controllers of Banks are advised to pass on necessary instructions to all the operating functionaries and ensure timely collection of insurance premia and entry of farmers' details in PMFBY portal for smooth implementation of the Schemes.

Achievement of Targets under Rabi 2019-20 is around 38% up to November,19. Whatever the short fall / gap in Kharif 2019 to be covered in the remaining 3 months period of Rabi season to cover the gap and to achieve the overall ACP Targets of Crop loans.

KCC coverage is around 65% of total operational land holdings. For Rythu Bandu purpose, Agriculture Department, Govt. of Telangana have collected data on operational holdings katha wise, farmer wise , district wise and Mandal wise. Data on operational land holdings will be shared and banks can target farmers for issue of KCCs and achieve 100 % KCC saturation by end of the Rabi season.

Dharani portal is going through some technical issues and till such time Banks are allowed to create their loan charges in ILRMS portal.

Shri K I Shariff, General Manager, NABARD said that

Banks have conducted 2273 FLC camps upto the end of September 2019 against target of 5334 camps. There is short fall of 3061 camps. NABARD is supporting Banks in conduct of Financial Literacy camps with some financial assistance. This year, large number of banks have submitted proposals/ claims up to September 2019 quarter and all the claims are sanctioned. In the remaining period of current year, Banks to focus to cover the short fall and submit the claims to NABARD. Commercial banks are also eligible besides Co- operative banks and RRBs to claim finance assistance from NABARD for conduct of Financial Literacy camps under FIF.

Govt. of India advised to focus on aspirational districts viz., Khammam, KB Asifabad, JS Bhupalapally etc., for conduct of Financial Literacy camps, where the allocated amount is higher than other districts.

Under Digital India programme targets are revised for the Telangana State. Controllers of Banks are advised to take benefit of the programme and apply for financial assistance from NABARD for installation of new POS machines/Micro ATMs/ATMs.

In addition to short term credit, Banks need to focus on long term credit also. Government of Telangana has initiated lot of programmes to enhance natural resources improvement i.e., water and soil health improvement. As such there is good potential in some of the districts for extending Long Term Agriculture Finance.

Govt. of India implemented several subsidy Schemes viz., DEDs (Dairy Entrepreneur Development Scheme), NLM (National Live Stock Mission), AMI (Agriculture Market Infrastructure Scheme). Banks to provide financial assistance to farmers for sheep rearing, goat rearing, establishing poultry units etc., as lot of funds available under NLM, which can be better utilized.

Working capital assistance to poultry, dairy, fisheries is also made eligible for interest subvention from Govt. of India. Banks to review the position and submit claims of interest subvention for these activities also. NABARD submits interest subvention claims received from RRBs and Co-operatives to Govt. of India for reimbursement.

TGB has extended successfully the financial assistance to JLGs in remote areas of Adilabad district and about 600 units have been financed during the last 2 years under MOU with NABARD, which have repaid their first dose of finance assistance and approaching the Bank for Second dose of financial assistance.

Many EMU units failed in the State for various factors. EMU farmers approached the State Government and the Govt. of Telangana has formed a committee under the Chairmanship of Principal Secretary, Animal Husbandry and Dairy and two meetings were conducted. There is no progress after that and many of the farmers went to the Hon'ble High Court saying that Government of India assured on sustainability of the EMU units and the units have failed to generate sufficient income due to lack of

demand for the products of EMU farming. Govt. of Telangana to look into the issue to provide some reliefs to farmers to come out of the crisis.

Sri Lalit Kumar Chandale, Joint Secretary and Economic Advisor, DFS, Government of India said that:

- Telangana State is able to meet all parameters and targets set for promotion of Finance Inclusion.
- As per the study of the Department, only 8% of PMJDY account holders are enrolled / covered under Social Security schemes at country level, which need to improve.
- Controllers of Banks, LDMs and Government Missionary to focus on conduct of awareness camps through FLCs and Gram Panchayat Development programmes etc., for convincing the rural masses/PMJDY account holders to opt for these Social Security Schemes, which are aimed at their well being and to ensure 100 % coverage/ enrolment.

Shri Subrata Das, Regional Director, Reserve Bank of India said that :

Claims of banks towards PV/VLR were pending with the State Government and the amounts are outstanding in Banks' books for a long time. As per the Reserve bank's prudential norms the outstanding amount would need to be classified as loss asset and banks would need to make 100% provision. In the circumstances, the State Government is urged to settle the pending claims of banks as soon as possible to avoid adverse impact on the Balance sheets of banks.

While the banks in Telangana State have a CD ratio of 111.28%, their achievement of Priority Sector lending is well below the stipulated norms. This was indicative of issues in classification and reporting of advances under priority sector by banks. Controllers of banks need to review their classification process/procedure and reporting mechanism and ensure that the same are strictly in adherence to RBI guidelines.

Agriculture has not picked up to expected level because of various factors during the year. Banks to make concerted efforts in the remaining 3 months time to improve lending to agriculture.

The target of covering every village with population of above 5000 with a banking outlet could be achieved in Telangana with the support of all banks, whose efforts in this direction are appreciated.

On the target for 100% digitization of Khammam District, Controllers of Banks need to initiate various measures to improve/increase digital infrastructure for individuals, businesses etc., including conducting Financial Literacy Awareness camps on digital banking. The LDM and the Lead Bank as well as the District Administration to be actively involved in the initiatives for achieving 100% digitalization of the district.

The preparation of PLP by NABARD and the formulation Annual Credit Plan (ACP) should be completed in a timely manner such that the ACP is launched in the State by 1st April 2020 as per the RBI guidelines on the Lead Bank Scheme. Due focus should be bestowed on the data flow / preparation of PLP from Block level to District level and from District level to State level based on the potential/Credit absorption capacity of each area.

Inactive BCs need to be closely monitored. Banks to take necessary action to activate such BCs in a time-bound manner. The number of inactive BCs of Kotak Mahindra Bank and Andhra Bank is relatively high. Controllers of these two Banks to take corrective action immediately and if necessary all BCs inactive for more than 90 days to be replaced with new BCs at the earliest.

Shri B Ramesh Babu, DMD (COO) SBI said that:

SBI manages 13 SLBCs in different states as Convenor. As such there is an opportunity to share the positive things that are observed, the success stories etc., in other State's SLBC meetings also.

Telangana State is an outperformer in all areas including growth in State GDP also.

Govt. of Telangana has taken many initiatives for farmers welfare and development of agriculture in the State.

Government is extending all support to Banks in opening of Branches in LWE districts, PV/VLR and Dharani portal etc., and Banks are also extending their support to the State Government.

Small banks like APGVB and TGB are extending finance to JLGs successfully. The Model of financing and selection process of the groups followed by these banks to be analyzed by other Banks. A presentation by any of the Banks successfully financed JLGs is to be made in any of the SLBC meetings for the benefit of all bankers.

NABARD to take up initiative to bring the progressive farmers, Bankers, Govt. Officials, Officials of RBI, Agriculture research Institutions, Universities together to discuss and develop model farming methods/techniques, which are beneficial and sustainable particularly in those areas, where farmers have lost their money to instill confidence and to extend hand holding to go forward with the farming activity by the distressed farmers.

CD ratio has come down to 111% compared to the CD ratio of previous quarter because of huge inflow of deposits due to various factors. People are preferring to keep their money in banks because of safety and various apprehensions on other investment opportunities.

In Priority sector lending, there is a divergence and data accuracy plays key role. If data is faulty, consolidating the data and discussion by Senior level officials from Banks, RBI, NABARD and Government is a futile exercise. Controllers of Banks need to focus on accuracy and purity of data to have meaningful discussions in Sub-Committee meetings and also in SLBC meeting and to take any policy decisions.

100% digitization comes only when all people will be willing to move to digital and Banks to make efforts and take steps towards that. When money is involved there will be some inhibitions on the part of people. Hand holding to be made on new technological methods to clear the inhibitions of the people and once their doubts/inhibitions are cleared, they will come forward to opt for digital transactions

Banks to make every effort to infuse confidence on safer digital banking / safety of these digital transactions through FLCs and conducting awareness programmes.

People should be made aware of the safe measures (Do's and Don'ts) to be followed and how strong our systems and procedures.

Connectivity issues to be sorted out for smooth implementation of the programme.

All Banks in Khammam district to own up the task and efforts to be made for its success. Once it is happened, rest of the districts will emulate and follow.

Shri OP Mishra, Chief General Manager, SBI and President, SLBC Telangana said that :

- Controllers of Banks to ensure that the tasks in respect of 100% digitization of Khammam district to be met before the deadline.
- Telangana is one of the States having highest CD ratio in the country, but priority sector achievement is below the stipulated norms. Controllers of Banks to ensure data purity of priority sector. Housing is shown in non priority sector by some rural branches. Correct data on project cost etc., to be entered in Banks' CBS for classification as priority sector.
- Controllers of Andhra Bank and Kotak Mahindra Bank especially and other Banks in general need to take effective steps for activation of Inactive BCs.
- Loan Charge creation by banks in ILRM portal is posing some problems to banks. Charge created by banks in respect of their loans is not flowed up to MRO level, which is creating problems. Agriculture Department /CCLA need to resolve the issues.
- On relaxation of collateral security norms up to Rs1.60 lacs by banks for pilot dairy projects of SC Corporation, it is decided to refer the matter to Reserve Bank of India whether the norms given by RBI in respect of agriculture lending can be adopted/made applicable for these loans also .

The meeting concluded with the vote of thanks proposed by Shri U N N Maiya, General Manager & Convenor of SLBC.


(U N N Maiya)
**General Manager
& Convenor, SLBC Telangana**

**25th Quarterly Review Meeting for the quarter ended 30.09.2019
Action Points emerged in SLBC Meeting**

Action Point No.1

Banks to submit the following data called for by Finance Department, Govt. of Telangana on the lines of format given by the department on or before 20.01.2020:

- a) Rythu Bandhu –Kharif 2018 pending amount with Banks;
- b) PV/VLR claims data along with Interest Subvention Amount received from Central Govt., from 2015-16 onwards;
- c) Granular data (department wise, account wise and branch wise) on Government Deposits with Banks;
- d) Details of outstanding Short Term Production Loans for Crop Loan Waiver Scheme -2018 as on 11.12.2018;
- e) Inactive, Dormant, Deceased constituents accounts details in respect of AASARA pensions;

(Action: All Banks)

Action Point No.2

All 70 inactive BCs to be activated immediately. If necessary, BCs that are inactive for more than 90 days to be replaced with new BCs at the earliest. Banks to arrange for submission of the list of inactive BCs, which are inactive for more than 30 days, with reasons and the expected date of activation to SLBC every month by 5th of succeeding month.

Kotak Mahindra Bank and Andhra Bank have been reporting 22 and 28 inactive BCs for the last two quarters. Controllers of these two banks need to take corrective action immediately.

**(Action: Kotak Mahindra Bank -22, Andhra Bank-28, TGB
and APGVB-11, Central Bank of India-5, Syndicate Bank-3, SBI-1)**

Action Point No.3

Banks to focus on extending fresh/renewal of Short Term Production loans and initiate necessary action plan for surpassing Rabi 2019-20 targets so to achieve ACP targets.

(Action : All Banks)

Action point No.4

Pending reimbursement of claims of RSETIs amounting to Rs.10 crores in respect of SBI and Andhra Bank to be released at the earliest.

(Action: State Director, RSETIs/SERP, GoT)

Action point No.5

In conduct of FLC camps by rural branches of Banks other than DCCBs, there is a short fall in achievement of Targets. Controllers of Banks to issue necessary instructions to rural branches and ensure conduct of FLC camps by Rural branches as per the stipulated norms.

(Action: All Banks/LDMs)

Action point No.6

DCC Khammam to review the progress on digital transactions in their meetings as the District is identified for 100% digitization.

LDM of the district is advised to get the progress report from all banks in the district on the lines of format given by RBI every month and submit the consolidated report to RBI and SLBC by 10th of succeeding month for review of the progress under the programme.

(Action: LDM Khammam, DCC, SBI Nodal Officer)

Action Point No. 7

Banks to complete the exercise and confirm mapping of their branches with block and district codes for extraction of business data up to block level directly from their CBS to upload on SLBC website for smooth implementation of new data flow system from December 2019 quarter onwards as per revamped LBS guidelines.

(Action: All Banks)

Action Point No. 8

Department of Financial Services communicated details of 63 villages, which are not covered with Banking infrastructure within 5 Km radius. Out of which, 8 villages have been left as uncovered i.e., State Bank of India – 2 villages, Bank of Maharashtra- 3 villages, Andhra Bank-2villages and Canara Bank-1 village. Controllers of Banks are advised to cover these villages with a Banking touch point within 5 Km radius by 31.01.2020.

(Action: SBI, Bank of Maharashtra, Andhra Bank and Canara Bank)

25th SLBC Quarterly Review Meeting - List of Participants			
No.	Name (Sri/Smt/Ms)	Designation	Organisation
Officials - Government of Telangana			
1	K Ramakrishna Rao, IAS	Prl. Finance Secretary	Govt. of Telangana
2	Rahul Bojja, IAS	Comm. of Agriculture	Govt. of Telangana
Reserve Bank of India			
3	Subratha Das	Regional Director	Reserve Bank of India
4	Sundaram Shankar	General Manager	Reserve Bank of India
SLBC Telangana			
5	B Ramesh Babu	Dy Managing Director	State Bank of India
6	Om Prakash Mishra	President SLBC & CGM	State Bank of India
7	UN Narayana Maiya	Convenor SLBC & GM	State Bank of India
DFS			
8	Lalit Kumar Chandel	Jt Secretary (Economic advisor)	DFS, Govt. of India
Officials - Government of Telangana			
9	Pausami Basu, IAS	CEO, SERP	Govt. of Telangana
10	V S Raju	Dy. Director, Industries Dept	Govt. of Telangana
11	G Padma	State Mission Director ,MEPMA	Govt. of Telangana
12	M Naveen Kumar	Director SS, SERP, Dept of RD	Govt. of Telangana
13	V Jayanthi	Project Manager, SERP	Govt. of Telangana
14	K Kiran Kumar	Proj Executive, SERP	Govt. of Telangana
15	B Ravinder	Superintendent, O/o CCLA	Govt. of Telangana
16	Syed Ahmed Ali	Accts Officer, Minorities Fin Corp	Govt. of Telangana
17	Mohd Iqbal Hussain	Asst Secretary (Finance)	Govt. of Telangana
18	L Saritha	Section Officer (Finance Dept)	Govt. of Telangana
19	G Nareemani	Addl DA (Agri Dept)	Govt. of Telangana
20	M Najammuddin	Consultant, Agri. Dept.,	Govt. of Telangana
21	Dr S Murali Krishna	D D Fisheries (Dept of Fisheries)	Govt. of Telangana
22	M V Sudhakar	A D Fiseries (Dept of Fisheries)	Govt. of Telangana
Officials - Government of India			
23	V Chandulal	State director	KVIC
24	N S Deepu	Asst Director General	UIDAI
25	Vislavath Arunkumar	ADET, DOT,	Dept of Telecom
26	N V Kishore Kumar	Director, DOT	Dept of Telecom
27	P V Praveen	Director (Accts)	Department of Post
28	B Sreedhar	Asst Director	MSME-DI , Hyderabad
29	Venkatesh Tota	Regional Resident Representative	National Housing Bank
30	S Keshava Murthy	Officer in charge	Coir Board
31	Ashish Dey	Branch Manager	ECGC Ltd.
32	Bharathi V	C R M	AIC of India
33	M Vijay Kumar	Dy Manager	AIC of India
34	Raghuram Rathod	Asst Manager	National Insurance

NABARD / SIDBI / RBI			
35	K Shariff	General Manager	NABARD
36	Sanjay Jain	General Manager	SIDBI
37	M Venkatesh	Dy. General Manager	Reserve Bank of India
38	B Ravi Shankar	Manager	Reserve Bank of India
Public Sector Banks			
39	N M Avadhanulu	Circle General Manager	Andhra Bank
40	R V Ramana Rao	General Manager	Andhra Bank
41	Satish Kumar	General Manager	Allahabad Bank
42	P Sreenivas	General Manager	Bank of Baroda
43	Rama Naik K	General Manager	Syndicate Bank
44	Jyotiprakash Raman	Dy. General Manager	State Bank of India
45	P Vijayalakshmi	Dy. General Manager, SLBC	State Bank of India
46	L Murali Krishna Raju	Dy. General Manager	Bank of India
47	M S Avudaiappan	Dy. General Manager	Canara Bank
48	M J Ashok	Dy. General Manager, Zonal Head	Corporation bank
49	A Senthil Kumar	Dy. General Manager	Indian Overseas bank
50	C V N Bhaskar Rao	Dy. General Manager	Union Bank Of India
51	J D Deshmukh	Dy Zonal Head	Bank of Maharashtra
52	Md Maqsud Ali	Dy Circle Head	Punjab National Bank
53	D S Rathour	Sr Regional Manager	Central Bank of India
54	Bharani Kumar	Asst General Manager	State Bank of India
55	T G K Murthy	Asst General Manager	State Bank of India
56	U A Narayana	Asst General Manager	State Bank of India
57	DVK Sharma	Asst General Manager	Indian Bank
58	V S Nagaraju	Asst General Manager	Canara Bank
59	B Venkat Ram Narsaiah	Asst General Manager	Syndicate Bank
60	Bipul Kumar Sinha	Asst General Manager	Oriental Bank of Commerce
61	A Elangovan	Asst General Manager	Indian Overseas Bank
62	Sudip Kumar Sahoo	Asst General Manager	Punjab & Sind Bank
63	B Subrahmanyam	Chief Manager	Indian Bank
64	N Veera Sagar	Chief Manager	United Bank of India
65	B Srinivasa Rao	Lead Dist. Manager, Warangal Urban	State Bank of India
66	K Rajya Lakshmi	Sr Manager	Canara bank
67	M Manohar	Sr Manager	UCO Bank
68	Ch Pradeep	Asst Manager	Oriental Bank of Commerce
Private Sector Banks			
69	K V Madhusudhan Rao	Senior Vice President	Axis Bank
70	P Giridhar Kumar	Vice President	HDFC Bank
71	Vanamali K	Vice President	Kotak Mahindra Bank
72	Shantanu Samaddar	Zonal Head	ICICI Bank
73	Jitendra Mane	Asst General Manager	IDBI Bank

74	Jaya Sekhara Reddy	Asst. Vice President	Federal bank
75	B Kameswara Rao	Asst. Vice President	Lakshmi Vilas Bank
76	Y Veera Prasad	Asst. Vice President	Axis Bank
77	A Venkateswar Rao	Asst. Vice President	Yes Bank
78	G Padmanabham	Chief Manager	Tamilnad Mercantile Bank
79	K V S Prasad	Chief Manager	The Karur Vysya Bank
80	PP Sunil Dutt	Manager	IDBI
81	S Abhilash	Manager	KBS bank
82	M Durga Prasad	Manager	HDFC
83	D Swethanjali	Asst Manager	South Indian Bank
84	D Lakshman Mohan Reddy	Agri Manager	Karnataka Bank ltd
85	Divakar KNV	Asst Manager	Dhanalaxmi Bank
86	Tarun Pradhan	Cluster Head	Bandhan Bank
87	Vachaspathi Sarma	Dy. Manager	Yes Bank
Regional Rural Banks			
88	Praveen Kumar K	Chairman	AP Grameena Vikas Bank
89	Arvind V	Chairman	Telangana Grameena Bank
Cooperative Banks			
90	Neti Muralidhar Rao	Managing Director	TS Cooperative Apex Bank
91	T Jyothi	Chief General Manager	TS Cooperative Apex Bank
Small Finance Banks & Payment Banks			
92	Govind Raj G K	Asst General Manager	India Post Payments Bank
93	B Bhaskar Naik	Sr Manager	India Post Payments Bank
94	Puneet Rastogi	Senior Manager	Airtel Payment Bank
95	Satyender Nag	Asst Vice President	Suryoday Small Finance Bank
96	B Dhana Lakshmi	Branch Mnager	Utkarsh Small finance Bank
97	E Jayaram Reddy	DOM	Fincare Small Finance Bank
SLBC Telangana			
98	P Obul Reddy	Asst. General Manager	State Bank of India
99	A V D V Prasad	Chief Manager	State Bank of India
100	J Venkateswara Rao	Manager	State Bank of India
101	M Narasimham	Dy. Manager	State Bank of India
102	PVRL Kalpana	Dy. Manager	State Bank of India
