

**Minutes of 32nd SLBC Quarterly Meeting held on 29.03.2022 at Dr MCR HRD
Institute, Jubilee Hills to Review the Performance of Banks for
the Quarter ended 31st December 2021**

The 32nd Quarterly meeting of State Level Bankers' Committee, Telangana was held on 29th March 2022 to review the performance of Banks for the quarter ended 31st December 2021.

Shri.P K Mohandas, DGM, SBI (FI&SLBC) extended a warm welcome to Shri.Sunil Sharma IAS, Special Chief Secretary Energy & Housing, Govt. of Telangana, Shri. Amit Jhingran, Chief General Manager, SBI & President SLBC, Shri.Ronald Rose IAS, Secretary (Finance), Govt. of Telangana, Smt.Nikhila, Regional Director Reserve Bank of India, Shri. Krishan Sharma, GM, SBI & Convenor SLBC, Dr. N Satyanarayana, IAS, CDMA & Mission Director, MEPMA, Smt. VCRS Savita, Deputy General Manager, NABARD, and all Senior Officials from Central Government, State Government, RBI, NABARD, SIDBI, Public/Private Sector Banks/RRBs/TSCAB/FIs, MANAGE, SERP, MEPMA, Fisheries department, Animal Husbandry Department and Departments of Government of Telangana. (Detailed list of participants is annexed).

Shri. Amit Jhingran, CGM, SBI & President of SLBC, in his opening address highlighted various issues and briefly presented the performance of Banks during the quarter ended 31stDecember 2021 as under:

- Total Deposits of the banks has come down by Rs. 14212 crores during the quarter and are at Rs.603,548 crores as against Rs. 617,760 crores as at 30th September 2021.
- Total Advances grew by Rs.25,889 crores (3.81%) during the quarter and the advances are at Rs.706,123 crores as against Rs. 680,234 crores as at 30th September 2021.
- CD ratio has increased from 110.11% to 117% as on 31st December 2021. This is one of the highest amongst the states.
- Banks have disbursed Short Term Agriculture Production loans to the extent of Rs.31,489 crores upto December 2021 during current FY, achieving 53% of targets as against Rs. 24,898 crores achieved upto September 2021.
- Agriculture Term Loans of Rs.11,709 crores have been disbursed by Banks upto December 2021 during the current FY towards Investment Credit, Agri. Allied, Agri. Infra and Agri. Ancillary activities as against Rs. 6,915 crores upto September 2021.
- Banks have disbursed Rs.610 crores towards Education loans and Rs.3259 crores towards Priority Sector Housing loans upto December 2021 during the current FY as against Rs.391 crores towards Educational loans and Rs.2068 crores towards Priority Sector Housing loans upto September 2021.



- During the current FY upto December 2021, Banks together have disbursed Rs.80,710 crores under Priority Sector, achieving 55.91% of annual targets.
- Banks have disbursed Rs.32,210 crores to Micro, Small & Medium enterprises (MSME) segment upto December 2021 during the current FY achieving 81.83% of the target.
- Under Pradhan Mantri Mudra Yojana Scheme, banks have sanctioned Rs.2,865 crores, upto December 2021 during the current FY, achieving 41.55% of the annual target.

On the Financial Inclusion front, he said,

a) Banks have covered all the 221 unbanked rural centers with population above 5000, and all the villages with 500 & above households in hilly areas, with banking Infrastructure within 5 KMs radius.

b) Banks in the State have 104.02 lakhs PMJDY accounts as against 103.69 lakhs upto September 2021 in their books. Out of 104.02 lakhs accounts 86.13 lacs accounts(82.80%) are seeded with Aadhar and 83.63 lacs accounts (80.59%) have been issued with RuPay cards.

c) As far as Social security schemes are concerned, 97.74 lakhs have subscribed Pradhan Mantri Suraksha Beema Yojana (PMSBY) and 37.48 lakhs have subscribed Pradhan Mantri Jeevan Jyoti Beema Yojana (PMJJBY). 11.72 lakhs have been enrolled under Atal pension Yojana.

➤ Under Atma Nirbhar Bharat Abhiyan:

- Banks have sanctioned Rs. 8,299 Crore and disbursed Rs.7,049 Crore during the current FY to MSME beneficiaries under Guaranteed Emergency Credit line(GECL) of 20% of the limits.

- Banks have sanctioned Rs.7.38 crores under Credit Guarantee Scheme for Subordinate Debt (CGSSD) and disbursed Rs.2.47 crores.

-Under PMSVANidhi Tranche-1: Banks have sanctioned 3,57,557 applications and disbursed 3,43,213 as on 24th March 2022. 82% percent of the disbursals have been contributed by the Public Sector Banks and SBI took lead with 43% of total disbursals. Under Tranche 2 Banks have sanctioned loans to 44573 Street vendors (SVs) and disbursed 34964 loans.

- Under Agriculture Infrastructure Fund, banks together have sanctioned Rs.266 crores against a target of Rs.3075 crores set by Govt of India for four years from FY 2020-21 to 2023-24. He requested all the Banks to encourage eligible borrowers, by improving action under AIF.



He requested Govt. of Telangana, to resolve the long pending issues :

-Reimbursement of VLR/ PV amounting to Rs.725.18 crores due to the Banks from 2014. He said all Banks have made equivalent provisions resulting in adverse impact on the profitability of banks.

-Reimbursement of Rs.17.46 Crores towards RSETI expenditure is due to the Banks from Government of India through SERP.SERP has partially reimbursed Rs. 7.06 crores to 10 RSETIs in the third week of March. He requested the remaining amount to be reimbursed as well.

- An amount of Rs.25.93 crores due to Banks towards Rythu Bandhu- Rabi 2018 Cheque printing charges are pending after absorbing 40% of the cost.

-He said that Technical issues in accessing and creating loan charge in Dharani portal are still persisting, on account of which renewals are also adversely affected.

Thereafter, **DGM SLBC** requested **Shri Sunil Sharma, IAS, Special Chief Secretary Energy & Housing, Govt.of Telangana** to address the forum.

Shri. Sunil Sharma, IAS requested Banks to facilitate loans to Housing Projects. He explained Rajiv Swagruha Project of 2007-2008, and said that flats and Individual houses were constructed to provide affordable housing to middle class and upper middle class people. Two projects are launched one in Bandlaguda and one at Pocharam. In Bandlaguda, there are three categories of flats: 3 Bedroom houses Deluxe, 3 Bedroom houses ordinary and two Bedroom houses. He said that two types of flats – 419 fully finished flats and 1082 semi finished flats are ready for sale. He said that applications will be accepted through MeeSeva and allotment will be on first come first serve basis. Banks, Revenue Department, registration departments and others are requested to come to the site and facilitate the sale. He added similar project is there in Pocharam, where 1490 flats are ready and the houses are vacant. Government is keen on hastening the process as a welfare measure to provide affordable housing. He urged Banks to come forward and be a part of the team, as any development without the participation of Bankers is incomplete; also it will be beneficial to Banks.

Thereafter, **AGM SLBC** made a detailed presentation on the performance of Banks up to the quarter ended December 2021.

Agenda 1: Adoption of Minutes of the 31st SLBC Quarterly Review Meeting

The minutes of 31st SLBC meeting for the quarter ended 30.09.2021 held on 16.11.2021 was circulated to all the members of SLBC .These minutes were taken as confirmed by the house as no requests for amendments/ modifications were received.



Agenda 2: Action Points of 31st SLBC Meeting – Action Taken Report

- Regarding Inactive BCs, Banks have confirmed that suitable action has been initiated to make inactive BCs as active.
- All Public Sector Banks have confirmed allocation of targets to branches for the saturation drive on Social Security and insurance schemes.
- LDMs of Jangaon and Siricilla have confirmed that the matter of digital Districts was discussed in the DCC meetings with all the stake holders. Banks have submitted base data as on 31.12.21.
- All Banks except APGVB have system in place to upload .txt file in SLBC Portal.
- Few Banks have indicated that they have provided Utilisation Certificates/ refunded subsidy. But updated status from BC Corporation, is yet to be received.

Agenda 3: Banking Network:

A meeting of the Sub-Committee of SLBC on Financial Inclusion was held on 10th February 2022 to review the progress in financial inclusion initiatives as at the end of December 2021. There are 5756 Bank Branches functioning in the state as on 31.12.2021. There are 7 small finance banks and 3 Payment banks functioning in the state. Payment Banks operate mostly through 22400 BCs.

Status of opening of bank accounts in identified unbanked LWE affected districts: Bhadradi Kothagudem is the identified LWE District in the state and all the 16 unbanked rural centers in LWE affected district have been covered with banking infrastructure.

Opening of branches, ATMs or BC outlets in the vicinity of the CAPF camps:

As at the end of the previous quarter, two camps i.e. Chalamala & Tippapuram were uncovered. During the quarter under review, SBI has deployed services of CSP at Tippapuram CAPF camp. Union Bank of India has surveyed the Chalamala village for appointment of BC.

Opening of Banking outlet at each Gram Panchayat in LWE affected district:

All the 479 Gram Panchayats in Bhadradi Kothagudem District are covered with Banking infrastructure.

National Strategy for Financial Inclusion 2019-24: The Reserve Bank of India advised launching of “National Strategy for Financial Inclusion (NSFI):2019-24 with a vision and key objective of the Financial Inclusion policies in India to expand and sustain the financial inclusion process.

National Strategy for Financial Education 2020-25: The NCFE in consultation with regulators and other relevant stakeholders has prepared the revised NSFE-2020-25 to support the vision of



Government of India and Financial Sector Regulators by empowering various sections of the population to develop adequate knowledge, skills, attitude and behavior, which are needed to manage their money better and plan for their future.

Targeted Financial Inclusion Intervention Programme (TFIIP) for Aspirational Districts (Khammam, Kumaram Bheem Asifabad, Jayashankar Bhupalapally)

Objective and implementation was discussed in detail. There are three aspirational districts in the state of Telangana, viz. Bhadradri Kothagudem, KB Asifabad and Jayashankar Bhupalapally. The stipulated timeline is October 2020 to September 2021, which has been extended up to 31.03.2022. TFIIP is being implemented by DFS, Ministry of Finance, to ensure Financial Inclusion in Aspirational Districts.

Key Performance Indicators relate to number of CASA accounts, and enrolments under Pradhan Mantri Jeevan Jyothi Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana(PMSBY) and Atal Pension Yojana(APY) per lakh of population. All the districts have achieved bench mark under PMJJBY.

Pradhan Mantri Adarsh Gram Yojana (PMAGY):

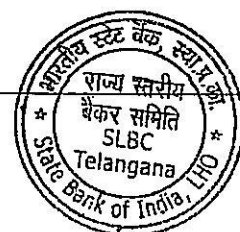
Banks need to submit progress report at quarterly intervals in respect of their allocated villages i.e, Number of FI camps conducted, new customers covered under the Insurance and Pension schemes of the Government of India, digital penetration etc. All the Banks to submit the data as per the format already circulated.

Review of operations of Business Correspondents:

All Banks to ensure that their BCs will work from a fixed point location with online interoperable devices so that the financial services and benefits of Social Security Schemes and PMJDY reach the beneficiaries. Issue of inactive BCs was discussed and noted that compared to September 2021, inactive BCs in Rural, Semi Urban & Urban/Metro increased, mainly on account of increase in inactive BCs of Yes Bank, which has 19703 inactive BCs. Shri Manoj Pohar, VP YES Bank , said that these are payment related BCs , and the increase is due to increased use of GPay PAYTM and other payment apps. He said that Bank is taking steps to replace the inactive BCs, Ms Irfana Parveen, Asst VP, IDFC Bank said that they are giving incentives to activate the remaining inactive BCs. Payment Banks have 22441 BCs.

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

There are 9,566 ATMs and 2,10,031 PoS Machines deployed in the State.



PMJDY accounts:

There are 1,04,02,067 PMJDY accounts in the books of Banks out of which 86,12,911 accounts (82.79%) were seeded with Aadhaar Number and 83,83,027 accounts were issued with Rupay Cards (80.59%). Telangana State Average PMJDY accounts per lakh of population are 29772, which is below national average. GM SBI & Convenor SLBC, said that we are in the 14th position and have to focus on improving of PMJDY coverage.

Direct Benefit Transfer (DBT) / Aadhaar Seeding and Authentication:

Controllers of Banks to focus on reduction in zero balance PMJDY accounts, 100% coverage of accounts with issue of Rupay Cards and Aadhar seeding, and to initiate suitable steps to bring all eligible family members of PMJDY account holders under Financial Inclusion.

Social Security Schemes:

As on 31.12.2021, Banks have covered 97,74,168 beneficiaries under PMSBY, 37,47,933 under PMJJBY and 11,71,877 under APY. DFS allocated a APY Target of 3,32,410 enrolments for FY 2021-22. The achievement under APY during CFY 2021-22 as on 31.12.2021 is at 1,88,752 enrolments against target of 3,32,410 i.e., an achievement of 57% of targets. Under the Citizen's choice campaign for H1 of FY 2021-22, 4 Banks and 14 LDMs have been awarded certificate of Excellence. Citizen's choice H2 campaign is under progress from 01.02.2021-31.03.2021.

Financial Literacy Initiatives:

78 FLCs are functioning in the state, which have conducted 1976 special camps, 2684 specific camps were conducted by FLCs upto the quarter (Target- two special camps per month by each FLC covering UPI and USSD & five specific camps per month by each FLC one each for Farmers SMEs SHGs School Children & Senior Citizens). Rural branches in the State have conducted 7608 camps upto the quarter ended December 2021 .

DIGI DISTRICTS: For 100% Digitally enabled districts

Rajanna Sircilla & Jangaon have been identified for making them as 100% digitally enabled districts. As advised by Reserve Bank of India during the Bankers' meeting on Digi Districts, base data has been submitted by the bankers as on 31st December 2021 and monthly progress is being monitored by RBI.

NABARD FI Fund Utilisation:

NABARD is extending grant assistance under financial inclusion fund to organize Financial and Digital Literacy Camps. NABARD RO sanctioned Rs.3.10 crores for 6222 FDLC programs to banks during FY 2021-22.



Agenda 4: Review of Credit Disbursement by Banks:

Performance under priority sector lending:

Total deposits have decreased by Rs.14212 crores and advances grew by Rs.25889 crores during Dec2021 quarter. CD ratio has increased from 110% to 117% during the quarter. Priority sector advances are at 36.82% as against RBI norms of 40%. Advances to Agriculture are at 16.21%, as against RBI norm of 18% and Credit to Small & Marginal Farmers was at 7.94 % against the norm of 9%. Banks have surpassed the norms under weaker section credits and advances to women. Advances to weaker sections were at 12.37%, Finance to Micro enterprises was at 4.96%.

Achievement under Annual Credit Plan: Banks have achieved 52.98% of Short Term Production Loan target and 47.19% of total Agriculture targets. Targets under MSME are achieved at 81.83% and total Priority sector achievement is at 55.91%. Achievements under Non-Priority sector have surpassed the Annual targets.

Agricultural Term Loans: Under ATLS - Public Sector Banks have achieved 39.22%, Private Sector Banks have achieved 48.71% and RRBs have achieved 81.22% of the Annual targets. Short Term Agricultural Production Loans disbursements: In comparison, the achievements during the current financial year are similar to the corresponding period of the previous financial year. Public Sector Banks have achieved 48.65%, Private Sector Banks have achieved 44.67% and RRBs have achieved 91.92% of Annual Targets.

Agriculture Infrastructure Fund Scheme: Banks to explore all potential avenues and sanction the eligible loans under Agriculture Infrastructure Fund as the scheme provides interest subvention and Credit Guarantee.

Pledge Finance against Warehouse receipts: During the current financial year, banks have disbursed an amount of Rs. 13.88 crores against Negotiable Ware House Receipts and the total outstanding are at Rs.31.83 crores to 188 beneficiaries.

Outstanding Overdue & NPAs under Agriculture sector as on 31.12.2021 :

20.49% of Short Term Crop Loan outstandings are overdues and 13.91% of Agriculture Term Loans incl. Allied activities; Agri. Infrastructure; Agri. Ancillary Activities outstandings are overdues as at the end of 31st December 2021.

Total Overdues in agriculture advances constitute 17.97% of outstandings which have come down during the quarter from 20.55%. 6.04% of outstanding short term crop loans are in NPA category as on 31st December 2021.



11.60% of outstanding Agriculture Term Loan including Allied activities; Agri. Infrastructure; Agri. Ancillary Activities are NPAs as on 31st December 2021.

Total NPAs under Agriculture advances are at 7.23%.

Crop Loan Waiver Scheme-2018 – Implementation: As per the data provided by Agriculture Department, Govt of Telangana, so far an amount of Rs.691.82 crores was credited to 2,15,191 loan accounts of farmers having outstanding amount upto Rs.35,000/- by Agriculture Dept, Govt of Telangana.

Oil Palm Cultivation: Scale of finance has already been fixed. Banks have indicated that good off take is expected in the next financial year, as farmers who have already planted are expected to approach the Banks for working capital finance, while new plantation are also expected to come up with the increased thrust by the Govt. of Telangana.

Flow of Credit to MSMEs : Banks have disbursed an amount of Rs.32210 crores and achieved 81.83% of annual targets. There is an overall growth of Rs.8975 crores under MSME advances during the quarter.

PM Task Force Recommendations: 1) Under norm 1, Banks have to achieve 20% year on year growth in credit to Micro and Small Enterprise. Banks in the state have achieved 11.71% and 14 Banks have complied with this norm.

2) Under norm 2, 10% Annual Growth in number of Micro Enterprises is to be achieved. Banks together have achieved a negative growth of 10.25% and 15 Banks have complied with the norm.

3) Under norm 3, 60% of MSME Finance should go to Micro Enterprises. Banks together have achieved 50.50% and 17 Banks have complied with this norm.

Controllers of Banks have been advised to individually achieve the task force norms, to enable the State to achieve the norms.

Overdues & NPAs in MSME Segment:

Overdues under MSE segment constitute 11.18% of outstandings and overdues under Medium enterprises constitute 7.82% of outstandings. Overdues under MSME segment constitute 10.35% of outstandings.

NPAs under MSE segment advances constitute 9.07% of outstandings and NPAs under Medium enterprises constitute 6.37% of outstandings, NPAs under total MSME segment constitute 8.40% of total outstandings.



CGTSME-COVERAGE:

So far as at the end of December 2021, 109,689 proposals amounting to Rs. 7066.27 crore have been approved by CGTMSE corporation for coverage.

During the current quarter under review, total number of 3,437 proposals with an amount of Rs. 314.47 crores has been approved for CGTMSE coverage.

District –wise position was discussed in detail.

Onetime Restructuring of MSME Advances:

As on 31.12.2021 there are 3,18,876 accounts eligible for restructuring. Banks together have restructured 1,41,253 accounts amounting to Rs.5,308.27 crores. 47,502 borrowers i.e., about 15% of eligible account holders have opted out of the restructuring.

Review of Bank Linkage in MSME Clusters:

There are 5169 enterprises in MSME Clusters across Telangana State out of which 96% have been credit linked. MSME-DI has recently updated the clusters data, as per which in 153 clusters in the state 27359 MSME units are estimated to have been existing.

Guaranteed Emergency Credit Line:

Under GECL Banks have sanctioned loans to 83% of 233416 eligible accounts. 12% of eligible account holders have opted out of the scheme.

Under CGSSD Scheme, Rs. 7.39 crores has been sanctioned and Rs. 2.47 crores disbursed.

PMSVANidhi Scheme TRANCHE-1:

A total of 422678 street vendors are identified by the MA&UD in Telangana State. Under Tranche 1, Banks together have sanctioned loans to 365675 street vendors i.e. 86.51% of applications and disbursed to 346590 street vendors i.e. 82% of applications as on 08.02.2022.

PMSVANidhi Scheme TRANCHE-2 progress:

Banks have sanctioned 66% of applications and disbursed 61% of the sanctioned applications.

Lending towards Government sponsored schemes:**Credit Flow under DAY-NRLM Scheme:**

A total of 494904 groups with outstanding loans of Rs.16930.91 crores are existing in the books of the banks. Upto the quarter ended December 2021, Banks disbursed Rs.10831.86 Crs to 226952 groups, achieving 89.76% of annual targets. Overdues are at Rs.2427.02 Crs i.e., at 14.33% of outstandings. NPAs are at Rs.534.48 crores i.e.,3.16% of outstandings.

Credit Flow under DAY-NULM Scheme

A total of 92821 groups with outstanding loans of Rs.2492.09 crores are in the books of banks.



Upto quarter ended December 2021, Banks disbursed Rs.1424.24 Crs to 21985 groups, achieving 94.48% of targets. Overdues are at Rs.274.94 Crs i.e., 11.03% of outstandings. NPAs at Rs.70.71 Crs i.e 2.83% of outstandings.

Credit Flow under MUDRA Scheme

Banks have sanctioned Rs. 2865.53 crores during the current financial year achieving 41.55% of the Annual Targets. Performance under various categories of PMMY was discussed in detail. Sanctions Per lakh of population in the State is lower than the national average.

Credit Flow under STAND UP INDIA Scheme:

7885 loans have so far been sanctioned under SUI scheme and during the quarter 234 loans were sanctioned. State-wise comparison was discussed. Sanctions Per lakh of population under Stand-up India loans in the state is higher than the national average.

Credit Flow under PMEGP Scheme:

1273 projects were sanctioned by Banks with a Margin Money involvement of Rs.45.99 crores generating employment to 10184 members. As on 31.12.2021, the achievement in respect of Projects is 44.19%, and in respect of MM Claim achievement is 53.37%. Achievement is lower than the southern zone average. Overdues at Rs.39.66 crores and NPAs at Rs. 18.98 crores have come down during the quarter.

Credit flow SC, ST, BC and Minorities under Corporations as on 31.12.2021:

As at the end of December 2021, Banks have outstanding loans of Rs.84955.46 crores to 3255808 women beneficiaries. Banks have disbursed an amount of Rs. 29906.69 crores to 1436502 women beneficiaries as at the end of the quarter during the current financial year. Overdues are at Rs. 4785.36 crores constituting 5.63% of outstandings and NPAs are at a level of Rs. 1362.61 crores, constituting 1.60% of outstandings.

As at the end of December 2021, Banks have an outstanding loans of Rs.77574.57 crores to 6581320 weaker section borrowers. Banks have disbursed an amount of Rs. 17312.82 crores to 1638456 weaker section borrowers during the current financial year. Overdues are at Rs.7157.97 crores constituting 9.22% of outstandings and NPAs are at a level of Rs.1478.96 crores constituting 1.91% of outstandings.

Overdues and NPAs is highest in 'Loans to Minorities' and lower in Advances to women and weaker sections.



Credit flow under Education Loans

Banks have disbursed Education Loan amounting to Rs. 994.75 crores during the current financial year. Overdues are at Rs. 453 crores constituting 9.08% of outstandings and NPAs are at Rs. 104.88 crores constituting 2.10% of outstandings as at the end of December 2021.

Credit flow to Housing Loans:

Banks have disbursed Home Loans amounting to Rs 12956.79 crores upto the quarter ended 31.12.2021. Overdues are at Rs.9167.12 crores constituting 9.45 % of outstandings and NPAs are at Rs. 1034.77 cr constituting 1.07% of the Housing Loans outstandings.

PRADHAN MANTRI AWAS YOJANA:

Under PMAY Scheme – A total Subsidy of Rs.1274.67 crores was released to 56479 housing loan accounts up to 31.12.2021. Under the Scheme during the quarter, total Subsidy of Rs.15.85 crores was released to 664 Home Loan beneficiaries.

Rural Housing Interest Subsidy Scheme (RHISS):

As per the data provided by NHB, no commercial Bank has so far claimed subsidy under RHISS. A total of 128 A/cs were covered by NBFCs/HFCs. AGM National Housing Bank during the Sub Committee meeting had requested the Banks to spread awareness on the scheme amongst the public to enable the eligible public to avail the benefits of the Scheme. Controllers of Banks have been advised to cover all eligible accounts and ensure that the interest subsidy benefit is extended to all eligible borrowers.

Progress under SHG Bank Linkage:

As at the end of December 2021, Banks have outstanding loans of Rs.19423 crores to 587725 SHG groups. During the current financial year, Banks have disbursed an amount of Rs. 6826.75 crores to 208445 groups. Overdues are at Rs.2701.96 crores, constituting 13.91% of outstandings and NPAs are at Rs. 605.19 crores, constituting 3.12% of outstandings.

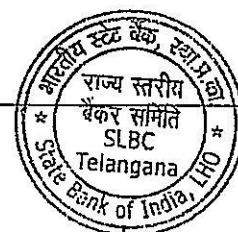
Agenda 5: CD Ratio:

The CD ratio of the Banks in the State is at 117.00% when compared to 110.11% as on 30.09.2021. No district in the State has a CD ratio less than 60%.

Agenda 6: Review of Restructuring of loans in Natural Calamity affected districts:

No natural calamity declared in the State during the last 2 years.

Agenda 7: Policy Initiatives of the Central / State Governments / RBI



The important policy initiatives have been circulated to the banks

Agenda 8: DHARANI PORTAL issues reported to SLBC by various Banks:

Banks have been representing time and again that certain operational issues in Dharani Portal are being faced by their Branches and these issues have been escalated to the service provider. Secretary (Finance) advised the SLBC to update the status and assured that the matter will be taken up with the concerned department.

Agenda 9: Improving Rural Infrastructure

NABARD has indicated that Government of Telangana, since the formation of the state has been taking a lot of initiatives for improving rural infrastructure in the State, by providing support under Rural Infrastructure in Telangana. Many New Infrastructure Projects were sanctioned under RIDF during the Year 2021-22, viz. Construction of Check Dams across Major Streams (Minor Irrigation), Rural Infrastructure Promotion Fund (RIPF), Warehouse Infrastructure Fund (WIF), Long Term Irrigation Fund (LTIF), Micro-Irrigation Fund (MIF), Agri Market infrastructure Fund (AMIF), NABARD Infrastructure Development Assistance (NIDA) and Dairy Infrastructure Development Fund(DIDF).

Agenda 10: Efforts towards Skill Development:

There are 11 RSETIs in the state, 9 are being managed by State Bank of India and 2 are managed by Union Bank of India. RSETIs have conducted 82 programmes and trained 2362 candidates upto the quarter ended 31st December 2021 against target of 260 programmes and 6775 candidates respectively for FY 2021-22.

Agenda 11: Pending reimbursement Claims of RSETIs & PV/VLR.

The total pending VLR/PV claims of member Banks stood at Rs. 725.18 crores and Rythu Bandhu cheque printing charges of Rs 25.93 crores are pending to be reimbursed. As per the directions of the Statutory Auditors all Banks have made a provision for the outstanding claims of Rs. 725.18 Crore and the same has adversely affected the funds position of the Banks. Govt. of Telangana is once again requested to expedite reimbursement of PV/VLR claims and RBS cheque printing charges of Banks.

Agenda 12: Doubling of farmers income:

Progress on the Parameters provided by NABARD is reviewed in detail:

- Numbers of Agriculture loans have grown by 541134 when compared to March 2017.
- Short Term working capital loans have increased by 11,71,220 crores when compared to March 2017.
- Number of farmers financed for Allied activities have increased by 4,91,000 when compared to March 2017. Close to 97.37% of small and marginal farmers have availed



Bank finance as on 31st December 2021.

- Outstanding finance to Agriculture has grown substantially by Rs.43856.01 crores when compared to March 2017 i.e. by 76%.
- Outstanding finance to SF/MF has grown substantially by Rs.27,933 crores when compared to March 2017 i.e by 234%.
- Outstanding finance to SF/MF for Allied activities has grown by Rs.4367.47 crores over March 2017 i.e by 68%.

Agenda 13: Financing of FPOs:

In Telangana state, NABARD has promoted and sanctioned grant assistance to 342 FPOs (62 FPOs under PRODUCE, 264 FPOs under PODFI-ID and 16 FPOs under Central Sector Scheme). Out of these 342 FPOs, 230 FPOs are promoted in the watershed project areas covering 151 watersheds and 03 FPOs are promoted in Tribal Areas involving TDF projects of NABARD.

The present shareholder membership in these FPOs is 1,12,357, out of the total membership 27811 are women shareholders and 94,631 (84%) of the shareholders are small and marginal farmers. The total share capital mobilized is Rs.1296.67 lakhs.

Agenda 14: Issues remaining unresolved at DCC/DLRC meetings:

There are no issues remaining unresolved in the DCC/DLRC meetings. However, few incidents of meetings not attended by banks has been brought to the notice of SLBC. Controllers were advised to ensure that all DCC/DLRC meetings are to be properly represented by at least an officer not below the rank of scale IV.

Agenda 15: Timely submission of data by Bank adhering the schedule of SLBC meetings:

As per extant guidelines, Banks are expected to submit data within 15 days from end of the quarter, but many Banks are submitting data after a lapse of 3 to 4 weeks. Banks were requested for timely submission of data to enable the SLBC to hold meeting within the stipulated timelines.

Developing a Standardized system for data flow and its management by SLBC Convenor Bank on SLBC Website- Constitution of Implementation Committee:

As per the directions of Reserve Bank of India, a standardized system for data flow and management has been developed on the SLBC website.

Data extraction from CBS and uploading to new portal:

All banks except APGVB have system in place for uploading the .txt files on the SLBC website. APGVB assured that from March 22 quarter onward they will upload the data on the portal.

Agenda Item No. 16: Government Deposits--Updation of information in Finance Department portal in the prescribed proforma



As per the existing guidelines, all banks have to upload data on Govt. deposits. Controllers of Banks have been advised to ensure that the Government deposits data is uploaded on the portal by 10th of every month without fail.

DGM FI, invited Smt Savita, Deputy General Manager, NABARD, to address the forum. She said that:

- Disbursement under crop loans is a matter of concern as the disbursement this year was 53% of the target, when compared to previous three years which was around 60%-70%.
- Even disbursements under Agri Term Loan, Agri Infra and Agri Ancillaries are also a matter of concern. She requested Banks to take the opportunity and give importance to Agriculture credit. Agency wise achievement in agriculture, PSBs are lagging behind with 39% of Target as against 81% of target achievement by RRBs.
- She added that during the recent State Credit Seminar, NABARD gave credit potentials for 2022-23. Total priority sector estimation is Rs.1,66,385 crores i.e., 22% increase over the last year. Agriculture Sector Estimation is Rs.1,01,174 crores, 21% increase over last year, MSME, at Rs.49,875 crores which is 26% higher over last year. She said, for financing under Agri Infrastructure and Agri Ancillary- NABARD has been refinancing PACS as MSE Rs 126.90 crores to 200 PACS during 2020-2021 and loan of Rs. 56 crores was sanctioned to 55 packs during 2021-2022.
- Infrastructure Financing: NABARD has provided a Loan of Rs. 5,09,000 crores to Govt. of Telangana for construction of 8884 Govt. Schools across 32 Districts, Rs 799 crores for 196 check dams during the financial year.
- Equity grant to FPOs- During 2021-2022,19 FPOs have been credit linked with Rs 377.20 Lakhs. APGVV, TSACB, MABKISAN, HDFC, SBI have given Finance to FPOS. She said that Equity Grant is being given by NABARD to FPOs, hence would be a good business opportunity to all Banks.
- NABARD has fixed unit cost for Oil Palm cultivation, and drone based activities.

DGM SLBC invited Shri.Arul Bosco Prakash, ED National Fisheries Development Board to address the forum.

ED, NFDB said that the objective is to enhance fish production and productivity and coordinate fisheries development in an integrated and holistic manner, for which various schemes are introduced mainly FIDF and PMSSY (Fisheries and Aqua culture Infrastructure Development Fund and Prime Minister Matsya Sampada Yojana). He explained the schemes in detail. He requested Banks to come forward and provide loans for Fisheries Projects under FIDF scheme and PMSSY Entrepreneurship model. He said that all necessary technical support will be extended wherever needed.

Dr N. Satyanaryana IAS, Commissioner CDMA & MD MEPMA appreciated the efforts of banks under PMSVANidhi. He said that Govt. of India is introducing awards considering the Year as



Azadi Ka Amrit Mahotsav. He said that under TRANCHE-1, still disbursements for sanctioned loans are pending. If TRANCHE- 1 is already paid, finance under TRANCHE -2 can be immediately sanctioned. He added that Stamp duty waiver is applicable till completion of Project, irrespective of TRANCHE-1 or TRANCHE- 2, and hence stamp duty not to be collected for PMSVANidhi loans.

He said that as far as SHG Bank Linkage is concerned, NPAs are at 2.73%. He said that every second Thursday, CBRM meetings are being held in all Municipalities. He requested Banks to share updated list of NPAs with the MEPMA and the concerned municipality.

Smt. Nikhila, Regional Director, Reserve Bank of India in her address said that:

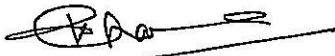
- As regards to MSME lending which is at 81.9% is good, she added that Banks can Incentivize credit flow to MSME Borrowers and as per RBI Instructions, the amount disbursed to new MSME borrowers can be adjusted to NDTL in CRR calculation of the Banks.
- She congratulated all the banks in conducting FIFL camps in Rural areas, in comparison to number of camps being 3041 for the last quarter, this quarter 7600 camps have been held.
- As regards uploading of CQR data in the standardised portal developed by SLBC, she urged the state head of APGVB which is yet to get onboarded to the system to review the position and ensure that they adhere to the timeline of 31st March 2022 committed by them for getting onboarded to the standardised portal as no further extension of timeline would be granted.
- She added Jangaon and Rajanna Sircilla districts have been selected for Expanding and Deepening of Digital Payment Ecosystem in the second phase. She requested SLBC to ensure that the bank wise MAPs (Monitorable Action Plan) circulated to the member banks is strictly implemented by them and the monthly progress report is sent to RBI at the beginning of every month in order to efficiently track the progress so that the project could be completed by June 30th as envisaged
- Two recent initiatives have been launched by Governor of RBI to deepen the Digital payment ecosystem: i) UPI 123 Pay –option to make UPI payments available on feature phones ii) 24/7 Helpline launched by RBI called Digital Sathi to address the queries of digital payment users across the products having a website & a Chat Bot is expected to increase the footfalls for digital payments.
- RBI Innovation Hub aims to create an ecosystem that focuses on promoting access to financial services to low income sections of the country.
- Convergence of all stakeholders in Financial Ecosystem is expected so as to ensure Financial Inclusion.
- DCC/DLRC meetings to be held in next 2-3 days.
- She added that PV/VLR issue to be considered
- Increase in NPAs and overdues in Agriculture, SHG and Education loans are also cause of concern.



Shri. Ronald Rose, IAS, Secretary (Finance), Govt of Telangana congratulated all Bankers on increase in CD Ratio from 110% to 117% of all the Districts including the remote ones. He further said that:

- Rajiv Swagruha Housing Project which is being taken up by Government will be hassle free and requested Banks to come forward and extend the necessary finance.
- Adhaar Centres to be opened by Banks in all Mandals.
- Pending Subsidies with the banks in respect of loans under BC Corporation/SC Corporation to be resolved immediately.
- Adhaar seeding of Bank Accounts has to be improved, so that payments can be done directly.
- Less than National Average PMJDY penetration is a matter of concern.
- Agri Infra Fund sanctions/ disbursements have to improve. He said agricultural officers of Govt of Telangana should promote and support the scheme.
- Updation of Fixed Deposit Portal is important which is being reviewed at higher levels.
- KCC of Dairy Farmers and Fish Farmers, number of applications are less, but rejections are high and he wanted to know the reasons. CIBIL defaults, wrong uploading and selecting more than one bank were some of the reasons for rejection.
- Suggested that financial literacy camps can be conducted for final year degree students from colleges also.
- Regarding Digi districts, he suggested that feasibility study for inclusion of few other districts also in the programme may be done.
- PMSVanidhi is a good scheme which has revived many small businesses and requested to clear the backlog, he said, this can be a flagship programme of the Government he added, more TRANCHEs may be added.
- The State Government is committed to reimburse the VLR/ PV dues to Banks at the earliest, depending on the funds flow.
- Rythu Bandhu Cheque printing charges are budgeted this financial year and will be released shortly.
- RSETIs reimbursable funds are being pursued, and funds are yet to be received from Government of India.
- On Dharani portal issues raised by Banks, he advised to provide list of issues bank-wise. On appointment of Nodal officer, he said that approval is pending.

The meeting concluded with Vote of Thanks by Shri. Krishan Sharma, General Manager, SBI and Convenor, SLBC.



(KRISHAN SHARMA)
General Manager & Convenor
SLBC, Telangana



Action points emerged in 32nd SLBC Quarterly meeting:

1. Inactive BCs for more than one month are to be reviewed at regular intervals and suitable corrective steps to be initiated for activation/replacing with new BCs to extend un-interrupted banking services.

(Action: Yes Bank, IDFC Bank, HDFC Bank, , IDBI ,TGB, APGVB, Kotak Mahindra Bank, KVB, Canara Bank, UBI, , UCO Bank, IOB, CBI, BOB)

2. Controllers of Banks, LDMs of Jangaon and Rajanna Siricilla Districts to ensure 100% digital coverage of SB and Current accounts customers and on boarding of merchants latest by 31st May 2022 as per Monitorable Action Plan circulated. Monthly Progress report to be submitted by 5th of the following month.

(Action: All Banks/ LDMs of Jangaon & Sircilla)

3. Reimbursement of VLR/ PV amounting to Rs.725.18 crores by Govt of Telangana due to the Banks to be expedited.

(Action: Agriculture & Finance Depts, GoT)

4. Reimbursement of RSETI expenditure of Rs.17.46 Crores due to the Banks from Government of India through SERP Department to be expedited.

(Action: SERP & GoT)

5. Revised Rythu Bandhu 2018 cheque printing charges of Rs.25.93 Crores i.e., at 40% of original claim to be reimbursed to Banks.

(Action: Agriculture & Finance Depts, GoT)

6. Banks to ensure achievement of Benchmark parameters set out under PM's Task Force Recommendations and compliance of RBI norms for lending under Priority Sector Advances, Agriculture lending, Loans to Small and Marginal Farmers, Micro enterprises etc.,

(Action: All Banks)

7. Banks to extract data on prescribed RBI formats from their CBS and upload the txt.files on SLBC portal as per revised data flow system under revamped Lead Bank Scheme within 7 days from the end of each quarter.

(Action: All Banks)

8. Banks to focus on sanction of KCC loans to all eligible dairy and fish farmers under KCC saturation drive in a camp mode.

(Action: All Banks)

9. Banks to refund the subsidy portion / submit utilization certificates in respect of ungrounded units of SC Corporation/BC Corporation, pending for the last 5 to 6 years immediately to respective corporations. Progress in this regard to be submitted latest by 30th April 2022.

(Action: All Banks)

10. Banks to update the data on Govt deposits in the Finance Department portal latest by 10th of every month.

(Action: All Banks)

