

**Minutes of 40th SLBC Quarterly Review Meeting
at 10.30AM on 14.03.2024 at Hotel Marigold, Hyderabad
to review the performance of Banks for the quarter ended 31.12.2023**

The 40th Quarterly meeting of State Level Bankers' Committee, Telangana was held on 14th March 2024 at Hotel Marigold, Hyderabad to review the performance of Banks for the quarter ended 31st December 2023.

Shri. P K Mohandas, DGM (FI & SLBC) SBI, extended a warm welcome to Shri Bhatti Vikramarka Mallu garu, Hon'ble Deputy Chief Minister and Minister for Finance & Planning, Energy, Telangana State, Shri Tummala Nageswara Rao garu, Hon'ble Minister of Agriculture, Co-operation & Marketing, Telangana State, Sri K Ramakrishna Rao, IAS, Special Chief Secretary (Finance), Govt. of Telangana, Dr B Gopi, IAS, Director of Agriculture, Govt. of Telangana, Dr. Satyasharada, IAS, Director, Horticulture (I/c), Govt. of Telangana, Shri. Rajesh Kumar, Chief General Manager, SBI, Shri. Jagdeesh Kumar T, DGM, FIDD, Reserve Bank of India, Smt. P T Usha, General Manager, NABARD, Shri. Debashish Mitra, General Manager, SBI & Convenor of SLBC Telangana, Senior Officials of Govt. of India, Govt. of Telangana, Senior Executives of Public/ Private Sector Banks/RRBs/TSCAB/FIs, industry bodies and LDMs of various Districts.

(Detailed list of participants is annexed).

Shri. Rajesh Kumar, Chief General Manager, State Bank of India, Hyderabad Circle in his keynote address presented the performance of banks in Telangana during the 3 quarters of the current Financial Year 2023-24 as under:

- Total Deposits of the banks grew by Rs.72,795 crores during the FY 23-24 so far and the total deposits were at Rs.7,55,800.60 crores.
- Total Advances with Banks grew by Rs. 1,40,293 crores and the advances of all banks were at Rs. 9,54,189.83 crores.
- CD ratio continues to be above 100 percent and it has gone up from 124.22% to 126.25 % during the quarter.
- During these 3 quarters of the current Financial Year, Banks have disbursed Short Term Production Loans amounting to Rs.49,501 crores achieving 67.41% of the annual targets.
- Banks have disbursed Rs.37,769 crores as Investment Credit to Agri. Allied, Agri. Infra and Agri. Ancillary activities achieving 96.04% of the targets.
- Banks have disbursed Educational loans amounting to Rs.624 crores and Housing loans amounting to Rs.2890 crores under Priority Sector during the current financial year.
- Banks have disbursed Rs.85,799.65 crores to Micro, Small & Medium enterprises (MSME) segment achieving 157% of the targets.
- Under Pradhan Manthri Mudra Yojana Scheme, Banks have sanctioned Rs.7895 crores achieving 74% of the annual targets.

- Banks together have disbursed an amount of Rs. 1,79,614.11 crores to various sections of borrowers under Priority Sector, recording an achievement of 96.92% of targets.

On the Financial Inclusion front:

- Dept of Financial Services has advised that there are 3 Unbanked Rural Centres in the State. Out of these, 1 URC has been covered by Bank and in respect of other 2, since taken up with DFS. An agenda on this will be presented during the course of meeting.
- Banks in the State have 116.72 lakh PMJDY accounts in their books and 94.75 lacs, i.e, 81.21% of the PMJDY accounts are seeded with Aadhar. RuPay cards were issued to 85.83 lacs, i.e. 73.54% of the PMJDY accounts.
- As far as the social security schemes are concerned, Banks have covered 147.50 lakh customers under Pradhan Manthri Suraksha Bheema Yojana (PMSBY) and 62.24 lakh customers under Pradhan Manthri Jeevan Jyothi Beema Yojana (PMJJBY). 18.57 lakh customers have subscribed for Atal pension Yojana scheme.

Under AtmaNirbhar Bharat Abhayan:

- Under PMSvanidhi Tranche1, Banks have sanctioned 4,13,473 applications and disbursed loans to 4,10,382 Street Vendors. Under Tranche 2, Banks have sanctioned 2,05,147 applications and disbursed loans to 2,00,453 Street Vendors. Under Tranche 3, Banks have sanctioned 42,761 applications and disbursed 41,823.
- Under Agriculture Infrastructure Fund, banks have sanctioned Rs.1903 crores against a cumulative target of Rs.1875 crores for the current FY.

He thanked the Govt. of Telangana, Department of Financial Services, Govt of India, Officials of Finance Department, Agriculture Department, Industries Department and other departments of Govt. of Telangana, Reserve Bank of India, NABARD and the member banks for their co-operation to the forum in discharging its functions and he solicited similar co-operation in future also.

Thereafter, AGM SLBC made a detailed presentation on the performance of the banks during and upto the quarter December 2023 as under:

Adoption of Minutes of the 39th SLBC Quarterly Meeting:

The minutes of 39th SLBC Quarterly meeting for the quarter ended 30.09.2023 held on 29.12.2023 were adopted without any changes as no requests for amendments/ modifications were received.

Action points of 39thSLBC Quarterly Meeting - Action Taken Report :

- a) Inactive BCs- The matter was discussed in Sub-Committee meeting on FI & DP and all Banks have confirmed having sensitized their field functionary to ensure activation or replacement of all the BC/CSPs inactive for more than one month. There is an increase of 40 inactive BCs over the previous Quarter.

- b) DFS advised that there are 3 URCs in Telangana which are to be covered with Banking Outlets. Banks which have covered the URCs with Banking Outlets were advised to update the details in the JDD App immediately. Banks which have been allocated villages by LDMS were advised to cover the villages with Banking Outlets. Bank wise status as on 06.02.2024 is as under:

SI	Name of the Bank	No of villages to be covered
1	SBI	1
2	TGB	1
3	PNB	1
	Grand Total	3

SBI informed that a BC has been appointed. TGB has informed that the village has been submerged. PNB has informed that it is not technically feasible for opening of BC.

- c) All Banks have been advised to upload .txt files in SLBC Portal latest by 10th of the following month at the end of the Quarter.
- d) Banks have been advised 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., The matter has been discussed in the EC- MSME and the Sub Committee meeting also. Banks have assured to strive and achieve the norms. Compared to the previous quarter, 24(19) Banks could achieve Norm-1 & 25(22) Banks could achieve Norm-2.
- e) Reimbursement of VLR/ PV amounting to Rs.725.18 crores is pending with Govt. of Telangana and no developments during the quarter.
- f) Reimbursement of RSETI claims: Rs. 16.78 crores are pending with MoRD.
- g) Reimbursement of Rythu Bandhu 2018 cheque printing charges of Rs.25.93 crores is pending with Govt. of Telangana: there are no developments during the quarter.
- h) Priority Sector Lending norms – Controllers of Banks have assured that the Banks would strive to achieve the stipulated targets in the current FY. Improvement over the previous quarter is as under:

Particulars	As on 30.09.2023	As on 31.12.2023
Priority Sector Advances	33.87%	35.35%
Agriculture Advances	15.28%	16.34%
Small & Marginal Farmers	8.73%	9.69%
Micro Enterprises	5.83%	6.17%
Advances to weaker sections	11.43%	12.42%

- i) Banks have been advised to individually cover all SHG members under the insurance schemes of PMJJBY and PMSBY- The matter was discussed in Sub-Committee meeting on Agriculture and all Banks have agreed to cover all the members under the insurance schemes.

Review of Financial Inclusion Initiatives, expansion of banking network & Financial Literacy:

- i) **Banking Network in Telangana State:** There are 6299 Bank branches of commercial Banks/RRBs/Co-op Banks.

7 small finance banks have a network of 95 branches and 111 BCs whereas the 3 payment banks have a network of 27 branches and 39895 BC points across the State.

ii) Coverage of (a) Unbanked Rural Centres within 5 kms radius and (b) Hilly Areas with 500 and above households under NSFI, with Bank branch/ Bank Mitra:

a) All the 65 villages under hamlets of 500 households in hilly areas identified by LDMs in terms of RBI Lr No.FIDD.CO.LBS.No.1488/02.01.001/ 2019-20 dated 13.01.2020 under National Strategy for Financial Inclusion (NSFI):2019-24 and have been covered with BC/CSP before 31.03.2021 and the details were uploaded on to FI Plan portal.

b) DFS has advised vide its e-mail dated 05.02.2024 that there are 3 URCs in Telangana and advised that these URCs are to be covered with Banking Outlets.

Banks have been advised to update the details of the URCs covered with Banking Outlets in the JDD App immediately. Banks which have been allocated villages by LDMs were advised to cover the villages with Banking Outlets. The status of coverage/pendency as on 21.02.2024 is as under:

SI No	Name of the Bank	No of villages to be covered
1	SBI	1
2	TGB	1
3	PNB	1
	Grand Total	3

SBI informed that a BC has been appointed. TGB has informed that the village has been submerged. PNB has informed that it is not feasible for opening of BC.

c) All the villages have been covered with banking infrastructure in the only LWE affected Bhadadri Kothagudem district in the State.

d) There are 479 Gram Panchayats in Bhadradi Kothagudem District and DCC has confirmed that all 479 Gram Panchayats are covered with banking infrastructure.

e) National Strategy for Financial Inclusion 2019-24: Envisage creating a financially aware and empowered India.

f) National Strategy for Financial Education 2020-25:Based on the review of progress made under the first National Strategy for Financial Education (NSFE 2013-18) and keeping in view the various developments that have taken place over the last 5 years, notably the Pradhan Mantri Jan Dhan Yojana (PMJDY), 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 behaviour, which are needed to manage their money better and plan for their future.

g) Targeted Financial Inclusion Intervention Programme (TFIIP) for Aspirational Districts (Bhadradri Kothagudem, KomaramBheem Asifabad, Jayashankar Bhupalapally):

TFIIP is under implementation in the 3 aspirational districts of Bhadradri Kothagudem, KomaramBheem Asifabad and Jayashankar Bhupalapally. TFIIP has been extended by Govt. of India till 31.03.2024 to enable all the districts to achieve the benchmark targets.

In Telangana the position is as under:

- (i) KB Asifabad has achieved benchmark target under CASA, PMJJBY and APY enrolments.
- (ii) Bhadradri Kothagudem has achieved benchmark targets under CASA, PMJJBY and APY enrolments and
- (iii) Jayshanker Bhupalapally has achieved benchmark targets under all the four KPIs.

h) Pradhan Mantri Adarsh Gram Yojana (PMAGY):

In the 169 villages identified by DFS for implementation of PMAGY, out of total population of 1,88,327 in the 169 identified villages, 1,64,020 are eligible to open SB accounts. SB Accounts for 1,42,912 i.e. 87% of eligible population have been opened out of which 61,165 i.e. 43% accounts are PMJDY accounts. 31,671 accounts i.e. 22% were covered under PMSBY and 23,136 accounts i.e. 16% were covered under PMJJBY. 11,225 accounts i.e. 7.9 % of eligible account holders subscribed for APY.

Review of operations of Business Correspondents –Connectivity Issues:

There are 38,500 BCs functioning in the State, of which 26,668 are in Rural, 4,551 in Semi Urban and 7,281 in Urban & Metro areas. A total of 9,412 BCs are inactive as on 31.12.2023 of which, 6752 are in Rural, 1016 in Semi Urban and 1644 in Metro Areas.

Bank wise status of Inactive BCs- Yes Bank -8140, Kotak Mahindra Bank -432, SBI -429, HDFC-172, IDFC Bank -100, UBI -37, UCO Bank-31 and other Banks with Inactive BCs were advised to initiate action for activation of BCs or appoint new BCs. Kotak Mahindra Bank is yet to rectify/clarify on the exact number of BC/CSPs operating under their Bank.

Apart from the above we have 40,012 BCs of SFBs and Payment banks in the state of which 19,974 are inactive as at the end of December 2023 quarter. Fino Payments Bank has 77.01% of their BCs inactive.

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

As at the end of December 2023, there are 9,592 ATMs and 1,95,971 PoS Machines deployed with the merchants by Banks as touch points across Telangana.

Direct Benefit Transfer (DBT) / Aadhaar Seeding and Authentication: As on 31.12.2023, Banks in the State have 1,16,71,624 PMJDY accounts in their books having balances of Rs. 4,111 crores, 94,78,761 (81.21%) of the PMJDY accounts are Aadhaar Seeded and 85,83,157 (73.53%) of PMJDY accounts have been issued with Rupay cards.

Social Security / Insurance Schemes launched by Govt. of India:

During the Quarter, there is an increase in PMSBY coverage by 10,10,581 and under PMJJBY by 4,11,876 whereas APY subscriptions have recorded increase of 98,852.

So far 1,47,50,212 citizens have been covered under PMSBY, 62,24,284 have been covered under PMJJBY and 18,56,832 have subscribed for APY.

APY Achievements for Q3 FY 2023-24:

As against a target of 4,56,370 for the FY 2023-24, Banks have enrolled 3,40,865 APY subscription achieving 74.70% of Annual targets as on 31.12.2023.

Financial Literacy Initiatives: There are 80 FLCs of Banks in the state. During the Quarter, 289 special camps and 834 specific camps were conducted by FLCs, surpassing the targets.

1838 Rural branches in the State have conducted 5156 camps during the quarter against a target of 5514.

CFL (Centre for Financial Literacy)

State Bank of India being the Lead Bank in 20 Districts has partnered for setting up of 60 CFLs. The other Banks that have partnered in Telangana are Union Bank of India with 29 CFLs in 9 Districts and Canara Bank with 9 CFLs in 3 districts.

Apart from the existing 98 CFLs, it is proposed to open the following number of CFLs under 3rd Phase:

Sl.No.	Name of the Sponsor Bank	Total No. of CFLs
01	State Bank of India	43
02	Union Bank of India	18
03	Canara Bank	12
	Grand Total	73

DIGI DISTRICTS: For 100% digitally enabled districts:

All 33 Districts in the state are digitally enabled districts.

Review of Credit Disbursement by Banks:

As at the end of December 2023, total deposits of the Banks in the State are at Rs.7,55,800.63 crores and advances are at Rs.9,54,189.83 crores. Total Deposits grew by Rs.20,641.09 crores and Advances grew by Rs.41,009.86 crores during the quarter.

CD Ratio has increased from 124.22% to 126.25% during the quarter.

Credit flow to Agriculture: Achievement of Annual Credit Plan till 31.12.2023:

Banks have disbursed Rs. 49,501 crores achieving 67.41% of targets under Short Term Agri credit and disbursed Rs. 87,270 crores achieving 77.39% of Total Agriculture targets.

Achievement under MSME priority sector was at 157% with Rs. 85,800 crores disbursement by banks and achievement under total priority sector was at 96.92%.

Banks have achieved 205.99 % of Annual Credit Plan targets.

Campaign for 100% KCC Saturation:

13 Commercial Banks, RRBs & Co-Operative Banks (TSCAB) in Telangana together have sanctioned limits amounting to Rs. 24,753.65 crores to 20,58,997 farmers upto 02.02.2024, under KCC Saturation Scheme launched by DFS. 151,915 applications were rejected due to multiple loans availed and non-availability of land etc. Out of these farmers, 5,46,957 are covered under PMJJBY and 8,72,773 farmers are covered under PMSBY.

KCC campaign on Animal Husbandry & Fisheries:

DFS has advised relaunch of the KCC campaign on AH & Fisheries from 01.05.2023 to 31.03.2024. Controllers of Banks were requested to instruct their Branch Managers to process all eligible applications. LDMs have been advised to scrutinize the applications collected in weekly camps as per SOP and forward them to Banks to reduce the rejection rate. Rejection of applications can be done only on valid reasons.

Progress on KCC to Dairy farmers during FY 2023-24 as on 02.02.2024:

A total number of 1497 applications are received and 1496 applications acknowledged by branches. Banks have sanctioned loans to 722 beneficiaries & 224 applications are pending for more than 15 days.

Progress on KCC to Fish farmers as on during FY 2023-24 as on 02.02.2024:

A total number of 322 applications received and acknowledged by branches. Banks have sanctioned loans to 316 beneficiaries and no application is pending with banks for more than 15 days.

Achievement in FY 2023-24 under Agl. Term Loans (Term Loans including allied; Infrastructure & Ancillary activities) as on 31.12.2023

Public sector banks have disbursed Rs. 21,726 crores achieving 90.50%, Private sector banks have disbursed Rs. 9,230 crores achieving 78.63% , RRBs have disbursed Rs. 4,793 crores achieving 221.57% and Co-operative Banks have disbursed Rs. 1,402 crores achieving 107.72% of Annual Targets.

Agriculture Infrastructure Fund:

Govt of India has allocated a 4-year lending target of Rs.3075 crores from FY2020- 2021 for Telangana and as on 31.01.2024, Banks have sanctioned Rs. 1,903.25 crores and disbursed Rs. 1,328.07 crores achieving 89.60% of the targets.

Pradhan Mantri Formalisation of Micro Food Processing Enterprise Scheme (PMFME):

PMFME scheme is being widely promoted by Govt. of Telangana. Banks have sanctioned 3135 applications as on 15.01.2024 against an annual target of 3245 achieving 97% of Annual Targets. Applications pending for sanction for more than 90 days: HDFC-422, TGB-369, APGVB-278 and TSCAB-185.

Applications pending for disbursement excluding "sanctioned but not able to disburse": SBI-289, TGB-145, UBI-22, APGVB-44, BoB-42 & Canara Bank-32.

Pledge Finance against Warehouse Receipts:

During the quarter Banks in the state have extended credit to 46 beneficiary amounting to Rs.15.67 crores and the total outstandings are at Rs.24.32 Crs to 121 beneficiaries.

Joint Liability Groups (Bhoomi Heen-Kisan): During the FY 2023-24, Banks have disbursed an amount of Rs. 232.20 crores to 51215 groups. The total JLG Loans outstanding with Banks as on 31.12.2023 are Rs. 724.21 crores extended to 259099 groups.

Outstanding & NPAs under Agriculture sector as on 31.12.2023:

NPAs under Short Term production loans are at 6.11% of outstanding as on 31.12.2023, whereas 4.85% of Agriculture Term Loan, 6.13% of Agri. Infrastructure and 6.12% of Agri. Ancillary Activities loans are in NPA category.

Total NPAs under Agriculture was at Rs.8123 crores (6.11%) during the Quarter.

Vaddileni Runalu / Pavala Vaddi on Crop Loans:

Total VLR/PV pending claims of member Banks stood at Rs. 725.18 crores for the years 2014-2018. As per the directions of the Statutory Auditors all Banks have made a provision for the outstanding claims of Rs. 725.18 crores. Govt of Telangana has not made any reimbursements under VLR/PV during FY 2023-24.

Rythu Bandhu 2018 Cheque Printing Charges

An amount of Rs.25.94 Crores towards RBS-2018 cheque printing charges is due to be reimbursed by Agriculture Department, Govt. of Telangana to the Banks, after banks revised the charges downwards to 40% of actual claim.

GoT was requested to expedite reimbursement of pending claims of Banks at the earliest.

Oil Palm Cultivation –

Considering the potential available in Telangana for cultivation of Oil Palm with the completion of Major & Medium Irrigation projects and increased irrigation facility, the Govt. of India notified potential area of 3.29 lakh Ha (8.14 lakh acres) in 25 Districts of Telangana apart from already notified area.

Under the scheme SBI has made 11 sanctions amounting to Rs.0.39 crores, TSCAB has sanctioned 6 loans amounting to Rs.26.67 crores and RBL has sanctioned 1 loan amounting to Rs.0.21 crores as on 31.12.2023.

Flow of Credit to MSMEs:

As at the end of December 2023, Banks have disbursed Rs. 85,800 crores and achieved 157% of the Annual targets. Achievement is higher under all the three segments of Micro, Small and Medium when compared to the corresponding quarter of the previous FY.

Outstanding Advances under MSME segment stood at Rs.1,13,608.06 crores.

NPAs of Rs.5,899 crores, under total MSME segment constitute 5.19% of total outstandings.

NPAs have come down from 5.23% to 5.19% during the quarter.

PM Task Force Recommendations:

Task Force Norm 1- Banks have to achieve 20% of year on year growth in credit to Micro & small enterprises, against which the achievement was 24.19%. 24 Banks have individually achieved the 1st norm.

Task Force Norm 2- In respect of 10% annual growth in the number of Micro enterprise accounts, achievement was 26.63%. 25 Banks have individually achieved the 2nd norm.

Task Force Norm 3- Norm 3 indicates that 60% of MSE advances should go to the micro enterprises. Against this norm, the achievement was 58.42%. 25 Banks have individually achieved the 3rd norm.

CGTMSE - COVERAGE: As on 31.12.2023, a total number of 2,22,734 proposals of Banks involving an amount of Rs.17,778.13 crores have been approved by CGTMSE corporation.

During the current quarter under review, total number of 10271 proposals with an amount of Rs.1741.89 crores have been approved under CGTMSE coverage.

Review of Bank Linkage in MSME Clusters:

There are 27,358 MSME enterprises estimated to be in the clusters across the state of which 34,443 enterprises are credit linked by Banks, i.e. all enterprises in clusters are credit linked.

As on 31.12.2023, 29980 micro, 4261 small and 202 medium enterprises in the MSME clusters have been extended finance by Banks.

PMSVANidhi – FINANCE TO STREET VENDORS:

PMSVANidhi Scheme progress as on 01.02.2024:

Under	No. of Loan Applications submitted by SVs	No. of Loan Applications Sanctioned	No. of Loan Applications Disbursed
TRANCHE-1	461,414	413,473	410,382
TRANCHE-2	251,651	205,147	184,381
TRANCHE-3	52,723	42,761	41,823

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

As on 31.01.2024, Banks have outstanding loans of Rs.30,941.53 crores to 6,00,944 SHGs. Banks have disbursed Rs.12,607.72 crores to 2,25,027 groups during the Current FY achieving 83.80% of annual targets.

Rs 814.90 Crs i.e., 2.63% of outstanding loans to Rural SHGs are NPAs with banks.

Credit Flow under DAY-NULM Scheme – Bank Linkage:

As on 31.01.2024, Banks have outstanding loans of Rs. 3,275.33 crores to 68,770 SHGs. Banks have disbursed Rs. 2,368.46 crores to 23,360 groups during the current FY.

Rs. 142.60 crores i.e., 4.35% of outstanding loans to Rural SHGs are NPAs with banks.

Under Self Employment Programme (SEP): As on 31.12.2023, Banks have sanctioned loans amounting to Rs.15.81 crores to 1518 units against a Target of Rs. 17.95 crores to 2274 units for FY 2023-24,

Banks Performance under PMMY:

During the current FY as on 02.02.2024, Banks have sanctioned Rs.7,894.99 crores to 7,09,805 beneficiaries against a target of Rs.10,678 crores achieving 74% of Annual PMMY targets.

7.99% of outstanding loans are NPAs under PMMY Loans.

During the FY 2023-24 upto 02.02.2024, an amount of Rs.332.25 crores was sanctioned to 37,844 SC Entrepreneurs and Rs. 249.10 crores were sanctioned to 17,079 ST Entrepreneurs.

Credit Flow under STAND UP INDIA Scheme:

Under Stand-Up India scheme, Banks have so far sanctioned loans to 11,251 borrowers with an outlay of Rs. 2,699.57 crores. 7,486 women beneficiaries have been sanctioned loans amounting to Rs.1790.18 crores, whereas 2,319 SC Category beneficiaries have been sanctioned loans amounting to Rs.562.27 crores. 1,446 ST Category beneficiaries have been sanctioned loans amounting to Rs.347.12 crores.

During the Quarter, Banks sanctioned Rs. 128.53 crores to 755 beneficiaries.

Credit Flow under PMEGP Scheme:

As on 29.01.2024, Banks have sanctioned loans to 2021 beneficiaries with margin money of Rs.94.47 crores during Q3 FY 2023-24 against a target of 2917 achieving 99.7% of margin money targets. NPAs at Rs.46.98 crores constitute 5.56% of PMEGP loan outstandings.

Credit flow under SC Corporation Schemes as on 31.12.2023:

There are 1,590 units involving a loan component of Rs. 31.42 crores pertaining to the FYs of 2015-16, 2016-17 and 2017-18 pending for grounding. For the Year 2018-19, subsidy has been released for 6202 units of which 4616 units have been grounded and 1406 are yet to be grounded. For the FY 2020-2021, subsidy of Rs. 51.78 crores have been released for 1760 members and 479 cases have been grounded.

Pilot Project of Dairy Development and Vegetable Pandals in Telangana Districts:

In respect of pilot project of Pilot Dairy & Vegetable pandals, the Corporation has selected 5374 beneficiaries with an outlay of Rs.123.01 crores. The Banks have grounded 2761 applications with outlay of Rs.64.72 crores. The corporation has released a subsidy of Rs.110.5 crores to 4835 beneficiaries.

Credit Flow to Weaker Sections as on 31.12.2023:

As on 31.12.2023, Banks have outstanding loans of Rs. 101,106.15 crores to 76,85,975 weaker section borrowers. Banks have disbursed Rs. 56,962.23 crores to 40,30,392 borrowers during the Current FY.

Rs. 6514.07 crores i.e., 6.44% of outstanding loans to weaker sections are NPAs with banks.

Credit Flow to Women as on 31.12.2023:

As on 31.12.2023, Banks have outstanding loans of Rs. 1,43,954.94 crores to 57,63,355 women beneficiaries. Banks have disbursed Rs. 73,939.06 crores to 33,36,407 women beneficiaries.

Credit flow under Education Loans:

During the Current FY, Banks have disbursed education loans amounting to Rs. 2,151.62 crores to 52,153 beneficiaries and Banks have total outstanding of Rs. 9,157.32 crores to 98,766 beneficiaries as on 31.12.2023. An amount of Rs. 72.64 crores i.e. 0.79% of outstanding Education loans is categorised as NPAs.

Credit Flow - Housing Sector:

During the Current FY, Banks have disbursed home loans amounting to Rs.33,185.31 crores to 2,84,027 beneficiaries and Banks have total outstanding of Rs. 1,92,206.85 crores to 9,30,527 beneficiaries as on 31.12.2023. An amount of Rs. 812.65 crores i.e., 0.42 % of the Housing Loans is categorised as NPAs.

PMAY Scheme: So far, a total subsidy of Rs.1625.05 crores was released to 70,398 Housing Loan accounts.

CD Ratio:

The CD ratio of the State has marginally increased from 124.22% to 126.25% during the quarter. Suryapet district has the highest CD Ratio of 245.78% whereas Mancherial district has a CD Ratio of 88.07%. As at the end of December 2023, no District in Telangana has CD ratio below 60%.

Review of restructuring of loans in Natural Calamity affected districts, if any:

As no natural calamity declared in the State during the last two years, accounts restructured are NIL.

Dharani Portal Issues:

Subsequent to amendment of Telangana Rights in Land and Pattadar Pass Books Act, as per the guidelines of Government of Telangana the relevant loan charges are being recorded in Dharani Portal by Banks without obtaining Title Deed Pass Books. The issues raised by Banks are being escalated to CCLA /Dharani team on an ongoing basis.

Performance of RSETIs upto the Quarter ended 31.12.2023:

There are 11 RSETIs operating in Telangana, 9 managed by SBI and 2 managed by UBI. RSETIs have conducted 217 programmes and trained 6280 candidates upto December '23 against target of 276 programmes and 7550 candidates respectively for FY 2023-24.

Pending reimbursement Claims of RSETIs:

11 RSETIs together have to receive pending dues of Rs. 21.19 crores as on 31.12.2023.

Convenor SLBC, requested CEO, SERP to arrange for early settlement of the pending claim amounts to RSETI sponsor Banks.

Issues remaining unresolved at DCC/DLRC meetings:

Convenor SLBC, requested all the State Heads of Banks to issue suitable directions to their Controlling Authorities to invariably attend the DCC/DLRC Meetings.

Timely submission of data by Banks adhering to the schedule of SLBC meetings:

Convenor SLBC, requested all the banks to upload the data onto the SLBC portal within 10 days from the end of the quarter to enable SLBC to consolidate and hold review meetings within the stipulated timelines.

Data extraction from CBS and uploading to new portal:

All Banks have uploaded the data for quarter ended December -2023 on SLBC portal.

Viksit Bharat Sankalp yatra:

Viksit Bharat Sankalp Yatra(VBSY) was started on 16.12.2023 in Telangana in Gram Panchayats (GPs) and on 27.12.2023 in the Urban Local Bodies(ULBs). We had 12769 GPs and approximately 413 ULBs identified by PIB for covering under the VBSY. The Viksit Bharat Sankalp Yatra in the state has been successfully completed in all the GPs and 413 ULBs with an average participation of 162 & 292 in GPs and ULBs respectively. The second phase of VBSY commenced from 8th of February 2024 for which we were allocated 181 locations & Yatra completed by 25th February 2024.

Three Months Special Campaign at Gram Panchayat (GP) Level:

DFS has launched a three months campaign at GP level in all Districts from 01.10.2023 to 31.12.2023, wherein weekly camps in all the GPs are to be held to ensure coverage of public under Jansuraksha schemes i.e., PMJJBY & PMSBY. All the 12152 GPs along with ULBs have to be covered with camps and data has to be uploaded in the portal. Few rectifications as received from respective LDMS have been forwarded to DFS for necessary action at their end. Targets have been allocated to the Banks and Banks were requested to achieve the allocated targets.

SVAMITHVA:

Govt. of India has launched the scheme for Monetization of lands in rural areas. Property cards are to be issued at State level, so that banks will be able to finance against these cards. As per information from the Panchayat Raj and Rural Development Department, Govt. of Telangana has so far taken up 5 GPs on pilot basis in the state and survey has been done with the help of Survey of India. However, Property cards have not been issued by the State Government. AGM SLBC said that Department of Financial Services has reviewed the progress of the scheme through VC on 07.08.2023 and a round table conference was conducted on 21.08.2023.

Continuation of Call Center Operator: As per the existing agreement and as discussed in the Sub Committee meeting on FI & DP held on 22.02.2024, the services can be extended for a maximum period of 2 years after completion of first year of appointment. As Shri M Narasimham has already completed two years, it was resolved to continue his services for a further period of 12 months w.e.f 01.02.2024, with a fixed enhanced remuneration of Rs.32000/- per month as call center operator for SLBC at the existing terms and conditions.

Discussion regarding reduction in frequency of DLRC meeting: It has been advised by RBI to discuss the proposal for reduction in frequency of DLRC meetings. In terms of extant guidelines DLRC meetings are to be held at least once in a quarter. In the recently held RBIs 112th Senior Management's Committee meeting, it was proposed to place the proposal before SLBC. Banks opined during Sub Committee meeting on 22.02.2024 to reduce the frequency of DLRC meeting to half yearly internal instead of current quarterly basis, which may also facilitate greater participation by the public representatives.

CROP LOANS TO PODU LANDS: Telangana Legislative Council has requested to examine the matter and send report to the Government where in the Hon'ble Minister for ST Welfare has given an assurance bearing No: 479 on the subject of "Crop Loans for Podu lands" while replying to the short discussion on "Tribal Welfare in the State- Distribution of Podu Land Pattas in Telangana Legislative Council.

Banks were requested to furnish remarks on implementation of issue of crop loans to Podu Lands so as to furnish the same report to the Government as the subject comes under assurance bearing No: 479.

Status of Startups in Telangana State - Challenges:

The official from a-IDEA sought co-operation from Banks to get Agripreneurs linked to Banks.

Smt. P T Usha, General Manager, NABARD, congratulated Banks on achievement of 96.92% of ACP targets under Priority Sector Loans of which Agriculture sector is 96.04% and MSME is 157% of the Annual Target.

- Potential Linked Credit Plan for the year 2024-25 which will form the basis for preparation of Credit Plans for the Banks has been finalized and PLPs have been launched in all the Districts and is consolidated into the State Focus Paper which was released on 30.01.2024.
- Some of the Action points of State Credit Plan for the Banks are also indicated.
- As advised by RBI, NABARD reassessed the potential for MSME for the FY 2023-24 and the same was shared with RBI. Revised notional figure is Rs. 1.1 lakh crores for this financial year,
- Under Agriculture Infrastructure Fund (AIF), a Project Management Unit (PMU) has been setup in Agriculture Department, GoTS to provide handholding support to stakeholders like

bankers, potential entrepreneurs and State Government officials and facilitate smooth implementation of the AIF scheme.

- Under Food Processing Fund, in Telangana, NABARD has sanctioned a loan of ₹28.83 crores to M/s Telangana State Industrial Infrastructure Corporation Ltd (TSIIC) under FPF for setting up a Mega Food Park at Buggapadu Village, Saththupally Mandal, Khammam District. NABARD has disbursed ₹10.07 crores to TSIIC.
- World's Largest Grain Storage Plan in Cooperative Sector: The project entails setting up of grain storage infrastructure including warehouse and silos, along with other agri infrastructure, including procurement centre, custom hiring centre, primary processing centre, Grameen Haats, etc. through convergence of various GOI Schemes at PACS level.
Under Phase I of the scheme, Gambhiraopet PACS, Rajanna Sircilla District affiliated to Karimnagar DCCB is implementing the project in Telangana.
- Extension of Govt Subsidy Schemes: New AMI has been extended till 31.03.2026. Addendum on operational guidelines have issued by Gol on 29 December 2023. NABARD has conducted the RCC meeting involving SLBC and Bankers on 10 January 2024 to sensitize bankers regarding the updated guidelines.
- Social Stock Exchange segment (SSE) provides Social Enterprises (Non-profit organizations (NPOs) and For-profit enterprises (FPEs)) engaged in eligible activities a unique opportunity to register itself and raise funds. Key benefits of Social Stock Exchange are improved market access, synergy between investors and investee in social aims, performance-based philanthropy, minimal registration cost and additional Avenue for Social Enterprises.
- Rural Infrastructure Development Fund - The annual corpus of RIDF during FY 2023-24 (RIDF Tranche XXIX) is ₹40,000 crores, with an allocation of ₹1,300 crores to Telangana. As on 31 December 2023, RIDF Tranches XXII to XXIX are ongoing with a cumulative sanction of ₹9785.73 crores in the State, against which ₹6625.40 crores has been disbursed. However, it is submitted that Tranche XXII and XXIII have been closed on 31 Dec 2023. The major RIDF projects under implementation in the State are Mission Bhagiratha, Construction of check dams, Oil Palm Area Expansion, Strengthening of School Infrastructure, Renovation / upgradation of Rural Roads etc.
- In Telangana state, NABARD has promoted and sanctioned grant assistance to 377 FPOs. Out of the 377 NABARD supported FPOs, 153 FPOs have been successfully Credit Linked with the formal banking channel. Credit totalling to ₹4050.19 lakhs has been sanctioned by APGVB, Adilabad DCCB, TSCAB, NABKISAN, HDFC Bank, SBI, Canara Bank, Indian Bank, Kotak Mahindra Bank. Further, NABARD has also supported FPOs with ₹784.39 lakhs as Business Development Assistance (BDA) to 167 FPOs. Further credit linkage will enable FPOs to expand and diversify business to achieve self-sustainability.

GM NABARD thanked the Hon'ble Ministers and requested for continued support and co-operation.

Shri T Jagadeesh Kumar T, DGM, FIDD, Reserve Bank of India said that:

- RBI has initiated Financial Literacy weeks along with Banks to spread the importance of financial literacy across the State amongst Industries, Individuals including school children, spreading the importance of Savings, importance of finance, awareness and other important aspects like how to avail education loans and protect yourself from financial cheating.
- Regarding financial literacy centers- Under Phase III, 73 more CFLs have been initiated in the State.
- He thanked Rural Branches for conducting 5100 FL camps.
- He said that RBI has undertaken a survey on MSME Sector during the quarter and a sample size of 411 MSME units were identified for this exercise. He touched upon few highlights of the survey.

Shri Tummala Nageswara Rao, Hon'ble Minister for Agriculture, emphasised the need to focus more on Agriculture and Allied activities. He further sought the support of Banks in achieving priorities and aims of Government. He added that if Farmers are supported, Country would prosper, and GDP will also be boosted.

Shri K Ramakrishna Rao, IAS, Special Chief Secretary (Finance), Government of Telangana, said that:

- Telangana has been doing very well in CD Ratio well above 100%, which shows that there are entrepreneurs, farmers and other sections of Society who have the capacity to absorb the credit. Therefore, the productive capacity of the society will go up which ultimately leads to development. We have to ensure that people from weaker section of the society, MSME, agriculture sector also should get sufficient loans.
- He added that even though sufficient progress has been made in the financial inclusion front, there are backward areas, tribal and forest dominated areas where lot more can be done regarding credit flow. Although PMJDY accounts have been opened, creating demand for financial products, penetration of insurance, investment and other quality services will ensure real financial inclusion.
- He said that in Telangana, implementation of Government of India schemes is good, but for Inclusive growth, with regard to penetration per capita or per lakh of population resulting in improvement of performance, left out sections of the society should be focused.

He said that other issues regarding Government, raised by Bankers and SLBC in various forums, will be taken up.

Shri Bhatti Vikramarka Mallu, Hon'ble Deputy Chief Minister, while applauding the efforts of Banks in achieving various targets, sought the support of Banks in focusing more on Self Help

Groups also, as utilization of funds is reasonable, repayment is high and NPAs are very little in these accounts. Further, he conveyed that more and more micro enterprises are to be credit linked, which will bring in significant change in scenario. From the view point of priority sector lending, he advised the Banks to have more exposure in Priority sector lending with a special focus on Agriculture, Housing and Education loans to weaker sections.

He said that regarding Emu Birds, it was a new scheme and State and Govt. had encouraged the Emu birds' culture which subsequently failed leading to accounts becoming irregular and NPAs. He requested Banks to come up with one-time settlement during this financial year.

He further assured the Banks of all needed support from the State Government, in partnering with social development of the State. He finally expressed his desire that Banks should achieve the residual targets in various parameters, during the last quarter of the financial year 2023-24.

Shri K Somashekhar Rao, President, CIFA said that Priority sector lending should be improved. He added that as mentioned in last SLBC meeting as well, Education loans to rural youth going for higher education abroad have difficulty in getting loans. He requested Banks to provide education loans to rural students against mortgage of agriculture properties.

Shri M Raj Mahendar Reddy, VP, Federation of Telangana Small Industries Association, said that target under Small Enterprises, MSME sector this FY is lesser than the target given last FY, although the target was achieved. The definition of MSME Sector has changed, there should be some bifurcation regarding the number of Service Sector, Manufacturing Sector and Trading Sector. Financial assistance is required for setting up new sectors. He added that priority should be given to Manufacturing Sector and classification of MSME needs attention.

He said that NPAs in MSME Sector have come down during the financial year. He also requested for CGTMSE data to be provided in the forum.

He added that, as State Government has proposal of Rs.3000 crores subsidy to Industries which is pending, Bridge loans may be sanctioned to Small Industries before the sanction of Investment subsidy.

The meeting concluded with vote of thanks by Shri Debashish Mitra, General Manager & Convenor of SLBC Telangana.

Sd/-xxx

**General Manager & Convenor
SLBC, Telangana**

Action points emerged in 40th SLBC Quarterly meeting:

1. All the BCs inactive for more than one month needs to be activated/ replaced with new BCs to extend uninterrupted banking services.

(Action: Controllers of all Banks)

2. Banks to focus on complying with RBI Priority Sector Lending norms viz. Priority sector-40%, Agriculture-18%, Micro enterprises- 7.50% and Weaker Sections- 12%.

(Action: Controllers of All Banks)

3. All SHG members are to be individually covered under the insurance schemes of PMJJBY and PMSBY. SERP to provide the data of uncovered SHGs.

(Action: Banks / SERP)

4. As envisaged under the 'Standardized system for data flow and its management' all banks to invariably submit the quarterly data through the utility made available in SLBC portal within 10 days from the end of quarter.

(Action: Controllers of all Banks)

5. Banks to ensure achievement of Benchmark parameters set out under PM's Task Force Recommendations, in respect of MSME advances.

(Action: Controllers of all Banks)

6.Reimbursement of VLR/ PV amounting to Rs.725.18 crores due to the Banks from 2014-2018 by Agriculture Department, Government of Telangana to be expedited.

(Action: Agriculture Dept / Finance Depts, GoT)

7.Reimbursement of Rythubandhu Cheque printing Charges of Rs.25.93 crores to Banks by Agriculture Department, Government of Telangana to be expedited.

(Action: Agriculture Dept / Finance Depts, GoT)

8. Reimbursement of RSETI expenditure of Rs. 21.19 crores due to the sponsor Banks to be expedited.

(Action: SERP & GoT)

9. Banks to submit data as advised by Election Commission of India and Income Tax Department/other Enforcing Authority, within stipulated timelines.

(Action: Controllers of all Banks)