

## D. RURAL BANKING

### 1. AGRI BUSINESS

Currently, your Bank is serving more than 1.42 crore farmers through its various Agri advances products.

The focus of your Bank is now on building investment Credit Portfolio, comprising of loans for agricultural activities such as Dairy, Poultry, Fisheries, amongst others, in order to help farmers generate their daily cash flow. The Government of India has also extended the interest subvention facility to farmers for activities related to Animal Husbandry and Fisheries.

The Ground level Credit disbursement to the farmers over the years is as follows:

(₹ in crore)

FLOW OF CREDIT TO AGRICULTURE			
YEAR	TARGET	DISBURSEMENT	% ACHIEVEMENT
FY2016	89,781	1,02,423	114%
FY2017	95,168	1,25,270	132%
FY2018	1,05,741	1,66,819	158%
FY2019	1,16,315	1,56,385	134%
FY2020	1,27,947	1,77,473	139%

### 2. MICRO CREDIT (SHG-BANK LINKAGE)

Your Bank is catering to more than 1.32 crore Self Help Group (SHG) members through the SHG-Bank linkage programme, of which more than 1.17 crore members are women. Your Bank is continuously in touch with NRLM and SRLM agencies in various states to increase the coverage of SHGs.

Your Bank has been active in buying pools of Agricultural assets from MFIs and NBFs. The number of pool purchases during FY2020 has been about 28, aggregating to about ₹ 9,600 crore, reaching out to 38 lakh beneficiaries.

### 3. OTHER INITIATIVES

Kisan Melas and Kisan Milans are being organised regularly for felicitating loyal and regular borrowers, and for strengthening "Bonding with Farmers" and financing new farmers. Your Bank has organised four highly participated national level Kisan Melas during the current financial year.

Your Bank has already implemented the Retail Asset Credit Centres (RACCs) for centralised sanction of loan proposals in Rural and Semi Urban (RUSU) branches. Moreover, implementation of FI&MM network to improve credit delivery in the RUSU branches is currently under progress. The digitalisation of Agri products will help your Bank to get more business from the existing customer base. Your Bank has launched 'YONO-KRISHI' mobile app for sanctioning of Agri Gold Loans. The utility for new KCC loans and new dairy loans through the link 'SAFAL' in YONO-Krishi is under development.

Your Bank has already sanctioned more than 4.70 lakh Agri Gold loans amounting to about ₹ 6,000 crore through YONO-

Krishi platform. More than 12,000 clicks per day are being registered in Mandi & Mitra portal of the YONO-Krishi app. SBI is focusing on migrating all its Agri Gold loans to the YONO platform.

### 4. FINANCIAL INCLUSION (FI)

Your Bank realises the role it must play as the largest Bank in the country in practicing and promoting FI activities. The spread of digital banking channels and expansion of Business Correspondents (BC) network is giving your Bank the impetus to further grow its FI activities. Thus, to achieve inclusive development and growth, your Bank has worked out strategies and leveraged technology to expand financial services to the door steps of the unbanked with the purpose of bringing them under the ambit of formal banking system.

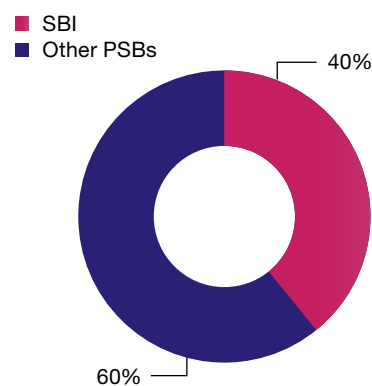
Your Bank has 61,102 operating BCs and 22,141 branches across the country to offer banking services. The BC channel, which provides customers in unbanked areas an access to various banking products and services while reducing footfalls in the branches, has recorded

49.29 crore transactions amounting to ₹2,27,469 crore up to 31.03.2020, translating to more than 18 lakh transactions per day on an average.

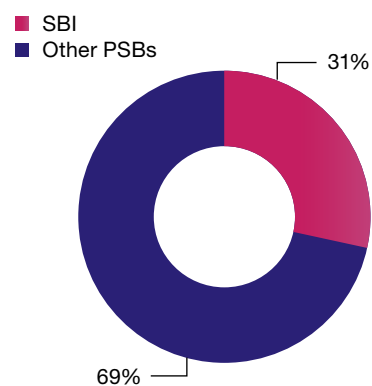
Under the flagship Pradhan Mantri Jan Dhan Yojana (PMJDY) of Government of India, your Bank has paved the way for universal financial access by being a pioneer in implementing the programme. Your Bank has opened 12.05 crore accounts by 31.03.2020 and issued 11.28 crore RuPay debit cards to the eligible customers. These initiatives taken under financial inclusion as part of key economic policy agenda of the Government over the last decade, have ensured access to Bank accounts for the excluded persons.

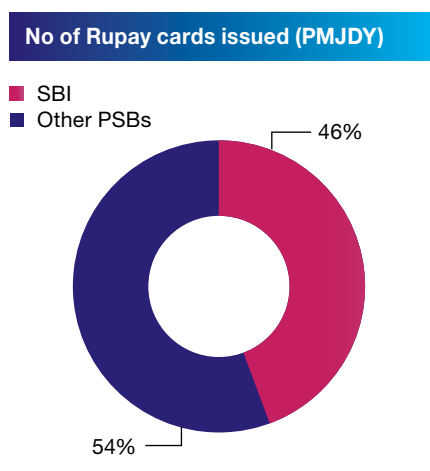
To fulfil the needs of Social Security measures, low cost Micro insurance products (PMJJBY, PMSBY) and pension schemes (APY) are provided to the unorganised sector in a big way, covering around 5 crore customers.

#### No. of PMJDY Accounts



#### Deposits Accounts (PMJDY)





### Imparting Financial Literacy

With the objective of imparting financial literacy and facilitating effective use of financial services, your Bank has set up around 341 Financial Literacy Centres (FLCs) across the country. In FY 2019-2020, a total of 29,995 financial literacy camps were conducted by these FLCs across the country where 16.82 lakh people participated. As a part of the pilot project implemented by RBI, your Bank has set up 15 Centres for Financial Literacy (CFL) at Block level, five each in the state of Maharashtra, Chhattisgarh and Telangana in association with NGOs identified by RBI.

RSETIs are acting as social change agents, empowering rural youth in achieving sustainable livelihood through skill development & training and helping them to establish their own micro enterprises, thereby creating rural employment and wealth creation. Your Bank has set up 152 RSETIs spread across 26 states and 3 union territories. 152nd RSETI was set up at Kargil in Union Territory of Ladakh during this year. These 152 RSETIs have trained 93009 candidates in FY 2020. Your Bank has been adjudged as the Best Performing Bank in implementation of RSETI initiative by the Ministry of Rural Development (MoRD), Govt of India on 19<sup>th</sup> December 2019.

### E. NBFC ALLIANCES

“Your Bank has created NBFC Alliances Department in October 2018. The Department is holding discussions with various NBFC-ND-SIs for loans under Co-origination model. 7 NBFCs have already been onboarded. Specific new products

have been developed for loans under Co-origination model. An end to end digitized model has also been developed for loans up to ₹1.00 lakh under this model wherein more than 11000 accounts have been sanctioned since October 2019.

Similarly, other NBFCs/ BCs are also being onboarded under Business Associate model and an end to end digitized process is expected to be launched very soon for this model also.”

### F. STRATEGY

Several strategic initiatives have been taken up for transforming the vision of the Top Management into reality aimed at enhancing value for Customers, Shareholders and Employees. Few of the projects taken up by CSO during the year include:

#### (i) Structural Changes – Creation of FI&MM Vertical

Financial Inclusion is a national priority of the Government as it is an enabler for inclusive growth. It provides an avenue to the poor for bringing their savings into the formal financial system, an avenue to remit money to their families in villages besides taking them out of the clutches of unscrupulous money lenders. To give more focus to Financial Inclusion, Bank has planned for the creation of a separate Financial Inclusion & Micro Market (FI&MM) vertical, which is slated for Pan India (excluding Thiruvananthapuram circle) rollout on 1<sup>st</sup> June, 2020 after a successful pilot in the Chandigarh Circle. The vertical will be headed by DMD (FI&MM) who will be supported by CGM (ABU), CGM (FI&MM), CGM (Operations), FI&MM and GM (NBFC Alliances). The creation of FI&MM Networks within the Circles would involve setting up of the following establishments:

- (a) District Sales Hub (DSH): DSH under Regional Manager (RBO), FI&MM has been created to primarily concentrate on marketing and sales liaison with the local district administration. A DSH will typically cover about 30 branches in a district or 2-3 districts. DSH will primarily be a marketing and sales unit, having a Chief Manager (Branch Channel) and will provide support to the branches in business development efforts and NPA containment. Similarly, a

Chief Manager (FI) at the DSH will take complete ownership of the CSP network and FI business of both FI&MM and R&DB branches in the District(s). Operational and administrative matters will be handled at the RBO level. The RACCs will be co-located with the DSH as independent units.

- (b) Regional Business Office (RBO): The RBO in the FI&MM network would control 3-4 DSHs, that is, 100-125 branches. The RBO will be strengthened adequately in terms of manpower for effective oversight of the larger number of branches.
- (c) GM's Office at the Network level: The FI Network will carry the entire responsibility of Business Correspondents, CSPs and complete FI business of the Circle. A General Manager will head the Circle except in Circles of Bhubaneswar and North-East where it will be led by DGM (FI&MM). A separate dedicated structure has been proposed for Mumbai Metro Circle.

#### (ii) Revamping of Anytime Channel - creation of separate vertical

A separate Anytime Channel Vertical has been created to minimise ATM downtime and enhance the customer experience. Presently the Circle functionaries and Branches are involved in the day to day activities of Anytime Channels. Creation of this vertical will help the Circle functionaries in concentrating on driving the core business through branches by freeing them from maintaining the uptime and any responsibility of ATMs, Recyclers, Swayam, Passbook Printers, GCC, amongst others except cash-related activity of on-site ATMs. Branches would, therefore, be freed from routine non-operational maintenance issues and focus on business development. Various technology enablers are being developed for enabling this.

Presently the Pilot is being run at Chandigarh and Jaipur Circles and will be rolled out in all Circles.

#### (iii) Centralised Complaint Resolution Centre at LHOs

To take care of the customers' ever-increasing needs and to ensure better customer service, it is necessary to