

**Minutes of  
166<sup>th</sup> MEETING of  
SLBC of Andhra Pradesh**

Date: 13.07.2009 (Monday) at 10.30 am

Venue: Jubilee Hall,  
Public Gardens, Hyderabad – 500 004

**S L B C OF ANDHRA PRADESH**

Convenor:  Andhra Bank

**Sri. R.S. Reddy, President, State Level Bankers Committee of Andhra Pradesh & Chairman and Managing Director, Andhra Bank Presided over the 166<sup>th</sup> State Level Bankers Committee of Andhra Pradesh Meeting on 13.07.2009 at Jubilee Hall, Public Gardens, Hyderabad.**

In his welcome address, he has extended a warm and hearty welcome to Dr. Y. S. Rajasekhara Reddy, Hon'ble Chief Minister and his Cabinet Ministers, Officials from Government of Andhra Pradesh, Executives from Banks, Representatives of Press and Electronic media and all the other dignitaries to the 166<sup>th</sup> meeting of the State Level Bankers' Committee of Andhra Pradesh. He said, Ever since our Chief Minister has taken over the reins of the Government in Andhra Pradesh in the year 2004, our State is in the forefront in championing the cause of the farmers and the downtrodden.

Sri. R. S. Reddy President of SLBC of AP said that as Bankers, we are partners in the economic development of the Andhra Pradesh State and are happy to associate with State Government under the inspiring leadership of honorable Chief Minister.

On behalf of SLBC of Andhra Pradesh, he has acknowledged the efforts and support of all the Banks, Government Departments and Development agencies and appealed to all to continue their cooperation in the future also.

Broad Highlights of President, SLBC of AP address is as follows:

#### **Agriculture Debt Waiver and Debt Relief Scheme**

President of SLBC of AP informed to House that during the last financial year, Banks in the State have successfully implemented the Agricultural Debt Waiver and Debt Relief Scheme, 2008 with excellent cooperation from the State Government. With Rs. 11,354 Crore benefiting 63.40 lakh farmers, Andhra Pradesh has led the country out of total relief of Rs. 64,395 Crore.

President of SLBC of AP thanked honorable Union Finance Minister for extending the time of repayment by the other farmers up to December, 2009. He requested honorable Chief Minister to help out the banks in getting recoveries and to make the farmers eligible to get fresh finance.

#### **Incentive to the Farmers not covered under the Scheme**

President of SLBC of AP specially thanked our Honorable Chief Minister for coining the idea of giving incentive to the farmers who are not benefited under Agriculture Debt waiver/ Relief Scheme – 2008 of Government of India, to maintain credit discipline. Over 38 lakh farmers were benefited under the scheme to the extent of Rs 1800 Crores. He requested Banks to return back unutilized amount to the State Government.

#### **Pavala Vaddi Scheme**

Successful implementation of PAVALA VADDI scheme to all the vulnerable sections of the Society is another unique scheme to Andhra Pradesh. The scheme is useful to SHGs and farmers as it encourages them to pay in time. Union Finance Minister in his recent budget speech has proposed to reduce the rate of interest to 6% for prompt repayment. State and Central Governments' interest subsidy, creates a prompt repayment culture.

**Credit Deposit Ratio**

The C.D. ratio of our State stood at 102.13% as on 31.03.2009 against the RBI norm of 60% and ranked 2nd in the country after Tamil Nadu. Credit Deposit ratio of Rural Branches is 133% ranked First in India. The C.D. ratio of almost all the Banks is above 60% and also Districts in Andhra Pradesh. This signifies the commitment of the Bankers in the state in realizing the developmental objectives envisaged by the Government.

**Deposits and Advances & Incremental CD ratio:**

Rs. 2,05,899 Crores of Deposits at the end of March, 2009, with incremental net increase of Rs 44,909 Crores over last year Rs.2,05,899 Crores. Advances at the end of March, 2009 were at Rs. 2,10,294 Crores with net increase of Rs 62,279 Crores. The incremental CD ratio works out to 139%.

**Priority Sector advances**

The Priority Sector advances at the end of March, 2009 were at Rs. 1,00,325 Crores constituting 47.71% of advances against RBI norm of 40%. Agricultural advances at the end of March, 2009 are Rs.51,487 Crores, constituting 24.48 % of total advances against RBI norm of 18%. Net increase of agricultural advances during the year is Rs.8, 300 Crores.

**Performance under Annual Credit Plan 2008-09**

Against the target of Rs. 47,000 Crore, banks in the State could extend finance of Rs. 43,803 Crore recording an achievement of 93.20%. Banks have surpassed the target under Agricultural Term Loans and Small Scale Industries sectors, achieving 119.53% and 107.10% respectively. The achievement under crop loan segment is 82.35% and the performance under other priority sector is 90.47%, both of which require special attention of bankers to ensure achievement of targets under these sectors during 2009-2010.

**Agricultural Lending**

The delayed monsoon and implementation of the Debt Waiver/ Relief Scheme has affected to some extent on the last year's Khariff lending. However, the lending has picked up during the Rabi season. Against the targeted lending of Rs.20,000 Crore for the year 2008-09, banks could lend Rs.16,469 Crore by the end of March, 2009. Rabi targets have been achieved.

President of SLBC of AP said that SLBC has taken series of steps for augmenting credit flow and also requested Agriculture Insurance Company and Government for extending time frame for coverage under crop insurance for khariff crops. They have positively responded and extended time for Ground Nut and Paddy Crops.

He also said that the outstanding credit under Agricultural Credit has crossed Rs.51,000 Crore, which is the highest in the country. Nearly one crore farmers are covered with Bank Credit in Andhra Pradesh.

**Pattadar Pass Books**

There is an urgent need to weed out fake pattadar passbooks, and to issue pattadar passbooks to all the eligible farmers. He requested Hon'ble Chief Minister to advise MROs to give soft copy of village wise records to Banks for verification of the ownership.

**Tenant farmers**

The State has made good progress in the past 4-5 years under Agriculture sector, it is hard fact that we are yet to bring considerable percentage of oral tenant farmers into the banking fold.

President of SLBC of AP has requested the Bankers to extend finance by ensuring proper identification. This Year, State Agriculture department has started a drive to identify the tenant farmers and uncovered farmers. Banks are requested to take up financing tenant farmers as a part of Financial Inclusion as per the scheme approved by NABARD, wherein the tenant farmers will come together by forming into a group and avail the loans up to Rs 50,000 per individual subject to scale of finance and as per the extent of land being cultivated.

Government may consider certification of tenant farmers, issuing tenant pass book, etc. to facilitate easy access to credit. Government may consider amending the Tenancy Act to suit the present requirements.

**No due Certificate for allowing loans to farmers**

President of SLBC of AP has drawn the attention of the house that it is being represented by various Farmer Associations that some banks are insisting for no due certificate even for small loans contrary to RBI guidelines. He has requested all the banks to strictly adhere to the RBI guidelines and allow loans up to Rs.50, 000/- by taking affidavit from the farmers.

**Self Help Groups**

Under SHG - Bank linkage program, Andhra Pradesh State has made rapid strides. The outstanding finance has crossed Rs. 9,800 Crore. A plan out lay of Rs. 9,000 Cr. is proposed to be lent to SHGs in the current year. Andhra Bank has already started a project to issue smart cards to SHGs in East Godavari District on pilot basis. SBI is attempting a similar project for Minority women SHGs in Hyderabad.

The Pension Scheme, **Abhaya Hastham** introduced by the State Government is an important component to achieve social security for a large chunk of disadvantaged population. He promised honorable Chief Minister that all the required support from the banking sector for successful implementation of the scheme.

**Housing Sector**

During the current year a plan outlay of Rs. 3,197 Crore is proposed in Annual Credit Plan which will take care of weaker section housing programmes including INDIRAMMA (Integrated Novel Development in Rural Areas and Model Municipal Areas).

President of SLBC of AP said that the accounts under VAMBAY (Valmiki Ambedkar Awas Yojana) and Rajiv Gruhakalpa schemes are showing overdues and he requested concerned Government machinery to assist Banks in recovery. This should be done immediately. Action Plan of Government may be informed to Banks without delay.

President of SLBC of AP requested the State Government that Separate machinery may be created to supervise timely construction of houses under Government sponsored housing schemes and other related issues to avoid NPAs. He said that he was happy to note that housing corporation is working on a scheme on the lines of Credit Guarantee Scheme applicable for all INDIRAMMA houses both in urban & rural areas. The Government may consider extending the scheme for all the outstanding loans under Government sponsored housing schemes including VAMBAY & Rajiv Gruhakalpa Scheme.

### **Financial Inclusion**

Good progress has been made by the state under Financial Inclusion program. He appealed to all the banks and LDMs to ensure 100% opening of No Frill accounts by the end of September, 2009. He felt that there is need to give thrust for issuing General Purpose Credit Cards (GCCs) to the account holders of No Frill account.

President of SLBC of AP said that there is need for diversifying the Smart Card Project for bringing into its purview other banking products apart from NREG payments and Old Age Pensions. Bringing SHG - Bank Linkage program and Kisan Credit Card Scheme under smart card project should be given thrust during the current year. State Level Blue print is to be prepared for the period covering next three years.

President of SLBC of AP has emphasized the need for Opening of the Financial Counseling and Literacy Centers in all the districts is to be ensured by the end of September. He has informed that Andhra Bank has already opened Four Centers in its lead districts.

All other areas of Financial Inclusion, like SHG lending, Financing to Tenant Farmer, Smart Card etc., the state is ahead compared to other states.

### **MSME Sector Advances**

The relief package announced by the Government has been successfully implemented by Banks in the State. This sector is the main provider of employment next to Agriculture and hence needs special attention to harness the resources of the country and to reduce the unemployment. Cluster based lending is important for proper monitoring of MSME accounts and also for opening exclusive MSME branches. At present in our State 32 clusters are functioning.

President of SLBC of AP felt that the mind set of "Security orientation" of the Branch Managers need to be addressed. Sensitization of Bank staff on coverage under CGTMSE scheme is to be improved as the coverage is low in the State despite the efforts of RBI and SLBC.

President of SLBC of AP focused that the sickness of the units under the MSME sector is another major concern. The field level functionaries are to be sensitized to address the problem in the very early stages by analyzing the reasons correctly. The measures initiated by the Government are to be effectively utilized.

**Sircilla Model**

President of SLBC of AP acknowledged that with active support from the Government machinery, public sector banks have taken up financing in Sircilla town to mitigate the woes of weaver families. It is a positive demonstration of welfare orientation of the banks. He was very happy to inform the house that the recoveries are good in the loans extended and requested State Government / Bank Branches to monitor disbursements & recovery closely.

President of SLBC of AP has assured honorable Chief Minister that banks are prepared to stand by the Government in meeting such challenges in future also.

**Educational Loans**

Banks in the State have lent Rs. 4,189 Crore under the sector and have helped many poor students to go for higher studies. He has observed that large numbers of complaints are being received by RBI, with regard to insistence of security even for very small loans. Mounting overdues under the sector may be the possible reason for such actions by the branches. He felt that there is need to sensitize the field level functionaries in this regard.

**Andhra Pradesh State Credit Plan – 2009-10**

President of SLBC of AP said that the overall Andhra Pradesh State Credit Plan for the year 2009-10 is proposed to be at Rs. 55,500 Crore. This is in comparison to Plan size of Rs.47,000/- Crore and achievement of Rs.43,803 Crore during the year 2008-09.

The outlay for crop loans is Rs.23,500 Cr.; Agriculture Term Loans including allied activities Rs.9,000 Cr; Non farm Sector Rs.8,000Cr; and other Priority Sector Rs.15,000 Cr.

President of SLBC of AP has highlighted that Five areas are proposed to be thrust areas for the current year. Providing banking facilities in un banked and less banked areas, Financial Inclusion, Financing Tenant Farmers and Uncovered Farmers, SHG- Bank Linkage Programme & MSME sector are the segments identified. Banking sector needs active support of the Government in achieving the credit plan expectations.

President of SLBC of AP said that this year the launching of State Credit Plan is delayed due to delayed launching of District Credit Plans in some of the districts, as the General Election Code of Conduct was in operation.

President of SLBC of AP has appealed that Banks have to make special efforts to implement the plan as already one quarter has lapsed. With the active support from the State Government, he said he is confident that the banking sector will surpass the set target.

**Unbanked Mandals and Mandals with only one bank Branch**

As per the available data out of 1128 mandals in the State, in 7 Mandals there is no bank branch and in 109 Mandals there is only one bank branch. He felt that to meet the banking requirements of the public in these Mandals, there is need to promote alternate delivery channels utilizing the services of Business Correspondents / Business Facilitators as also opening bank branches. He added that there is need to strengthen the mechanism of

Business Correspondents. Modalities may be devised to cover all unbanked mandals and low banked areas by opening more bank branches or through BC Model by March, 2010.

### **Review of Lead bank Scheme**

Under lead bank scheme, RBI has appointed a high level committee and during last month RBI has kept draft report on its website. Many recommendations are given for strengthening of Lead bank scheme keeping in view the past experience and to suit the present scenario. NIRD has taken initiative and conducted one day seminar for all the stake holders and suggestions were crystallized. Any further suggestions can be sent to RBI.

### **Recovery under Government Sponsored Schemes**

Rising trend of overdues under various schemes is a matter of concern to all of us. He felt that there is a need to counter this trend with effective campaign to maintain the health of financial system. There is need to create recovery mechanism right from the Mandal level up to the State level with the participation from banks and Government. These Officers may be given revenue powers so that a positive environment and recovery discipline can be created. A policy decision may be taken by Government on the matter.

### **Flow of Information System**

The flow of information system continues to be a major concern. SLBC is facing difficulty in providing required information to the Government and RBI. He has felt that the Lead Banks and other Banks are required to correct this situation.

President of SLBC of AP has appealed to the controllers of Lead Banks present here to provide required infrastructure to the LDMs to enable them to fulfill their commitments.

### **Other issues**

President of SLBC of AP brought to the notice of honorable Chief Minister that support from Government is required in resolving one pending issue. Banks are being demanded to pay Advertisement tax for displaying name boards at their branch premises and ATMs in Hyderabad. The name boards of the banks at the branch/ ATM premises are only for indication and not for advertisement. Since banks are public service organizations, it may be considered to exempt banks from the purview of advertisement tax.

**President of SLBC of AP informed that he is very much proud to put forth before this august body that SLBC of A.P. has the distinction of retaining No.1 Position in the Country in Rural CD Ratio, Priority Sector Advances, Agricultural lending, Advances to weaker sections, Providing relief to farmers, Financing to SHGs both in Rural & Urban areas and Issuing of Smart cards under Financial Inclusion. On behalf of the Bankers in Andhra Pradesh he said Bankers are aiming to achieve No. 1 position in other parameters also.**

Sri. R, S. Reddy, President of SLBC of AP and CMD of Andhra Bank has assured the Hon'ble Chief Minister on behalf of colleague Bankers that all the banks are with him in achieving the developmental objectives of the State.

While thanking one and all he has concluded his welcome speech.

**Afterwards Hon'ble Chief Minister Dr. Y. S. Rajasekhara Reddy has launched the ANDHRA PRADESH STATE CREDIT PLAN 2009 -2010.**

Convener of SLBC of AP and General Manager of Andhra Bank, Mr. A.L. Nageswara Rao, presented Achievements of Banks in the year 2008 - 2009 and brief highlights of Annual Credit Plan 2009 – 2010.

After reviewing the overall State position, the Chief Guest, Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy, has given his Inaugural address.

**ADDRESS OF Dr. Y.S. Rajasekhara Reddy, Honorable Chief Minister of Andhra Pradesh:**

Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy has appreciated SLBC of Andhra Pradesh for Proposing a State Credit Plan of Andhra Pradesh for 2009 – 2010 with a Credit Proposal of Rs.55,500 Crores which is more than Rs.8,000 Crores from the previous year. He has requested the Banking Community at large to extend the support to the State Government in implementing Government Schemes in achieving development of the State. .

Hon'ble Chief Minister said that AVAILABILITY OF MONEY WITH COMMON MAN IS THE REQUIREMENT AND IT IS THE PHILOSOPHY OF THE GOVERNMENT. He has urged the Banks to play a active role in development of Country in general and Andhra Pradesh in particular. He felt that Banks will lend the money as long as the recovery is good. He said that for the last FOUR years Andhra Pradesh GDP has increased over 1% compared to National Average and appreciated role of Bankers in this direction.

**Pavala Vaddi:**

Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy, said PAVALA VADDI INCENTIVE, which is implemented by the Government of Andhra Pradesh for the benefit of vulnerable sections of the Society, will also help in improvement in the recovery position of the Banks in Andhra Pradesh.

**SHGs:**

Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy, made a comparative analysis of the lending in particular of Self Help Groups (SHGs) of Andhra Pradesh with National Level and advised Bankers to keep up the tempo and ensure targets are reached in all districts.

Hon'ble Chief Minister said that the recovery position of SHGs in the state was good and almost 100%. But, in the recent past the recovery level has slipped to 85-90% and advised all the Government machinery to help Banks in recovery of overdues, so as to achieve the recovery in SHG loans to a minimum of 97% by the end of July / Aug., 2009.

**Lending to Agriculture:**

Hon'ble Chief Minister has said that for the last four years 40 lakh New Farmers were given Crop Loans and Agriculture Term Loans. Due to this there is marked increase in lending in Agriculture Sector. The share of Andhra Pradesh State in Agriculture Debt Waiver & Debt Relief Scheme - 2008 is also very high at Rs. 11354 Crores, compared to All India figure of Rs.64,395 Crores.



**Crop Insurance:**

Hon'ble chief Minister felt that all farmers to get proper Crop insurance coverage for their crops. He has informed that Andhra Pradesh has adopted village as unit of insurance for at least one major crop in each district.

Hon'ble Minister for Agriculture and Co-operation Mr. N. Raghuvvera Reddy informed the house that in Andhra Pradesh State Crop Insurance Claim settlement is good and the Union Agriculture Minister has praised the State for its proactive steps.

Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy has said that Banks and Government to ensure that Crop Insurance facility is utilized by the farmers in full without any exception.

**Recovery of Loans:**

Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy has categorically informed that one time settlement scheme implemented through Agriculture Debt Waiver & Debt Relief Scheme – 2008 is a one time measure to help the farmers to come out of the distress and this is not every year feature, finance should be made available from banks to farmers.

Hon'ble Chief Minister has suggested that All the Banks to ensure that effective machinery is to be put in place for speedy implementation of all schemes and ensure timely disbursements of the loan.

Hon'ble Chief Minister has assured the Bankers that Government will support for the Prompt Recovery of Loans and inculcating financial discipline among the farmers and other beneficiaries

**Role of Govt. Corporations:**

Hon'ble Chief Minister said that Government Corporations will not be lending Agencies any more. Whatever Government wants to support, it will be like grant or subsidy. He has advised all the Government Corporations to help the bankers in recovering the loans amounts especially in Government Schematic Lending within a time frame.

**Animal Husbandry:**

Hon'ble Chief Minister has emphasized the need for lending to Animal Husbandry and other related activities. He said for lending to Dairy, Sheep, and Goat under various schemes is good as these schemes are giving good returns and assured repayment to Bankers. He has advised Animal Husbandry Dept.to plan for Sheep/Goat Rearing Schemes in a big way.

**Distribution of Land to Tribals:**

Hon'ble Chief Minister has informed that 12 lakh acres of Government Land is distributed to Vana Samrakshana Samithi (all Scheduled Tribes) and these groups are to be strengthened. He said Government has created 6000 Vana Samrakshana Samithis with annual grant of Rs.6,00,000/- and urged all the Banks to support scheme by financing STs to enable them to take crop production and allied activities. He has informed that this is one of the major initiatives of the Government for the well being of STs and '**PODU**'

cultivation by Scheduled Tribes in the forest area and the associated degradation of land. Now Government has given land right to Tribals and Andhra Pradesh is the first state to distribute 12 lakh acres of forest land to Tribals. He has requested the Banks to formulate new schemes for Scheduled Tribes in Forest Area like Dairy, Crop Loans, Goat, Coffee Plantation or any other viable activity to be taken up by them.

### **Cooperative Farming:**

Hon'ble Chief Minister said that Government is contemplating for Co-operative farming. He has informed that in each district two villages will be chosen for cooperative farming in the first instance. In this scheme total land in the village will be pooled up for cultivation.

The idea is to consolidate land holdings, use Farm Machinery and undertake Precision farming. Other farmers who are free will take up other allied activities. He has requested to hold a Special SLBC meeting in month or so after Agriculture department finalizes the modalities.

### **Housing:**

Hon'ble Chief Minister, said that the Housing Scheme targets are not met by the bankers. He requested the bankers to finance for Housing Schemes liberally. He said for recovery of loans, some solution is being in the thought and housing department is working on and likely find out solutions for the problem.

Hon'ble Chief Minister requested that INDIRAMMA Housing Scheme is to be given priority.

### **Target for SHG financing:**

Hon'ble Chief Minister felt that the lending should be improved. This year SHG target indicated for the year 2009-10 is Rs10356 Crores for both urban and rural SHGs. He requested the Bankers to increase the overall target to SHGs, and more share of increased target should go to Urban SHGs.

### **Financial Inclusion**

Hon'ble Chief Minister has advised Banks that every family in the State should have Bank account by end of this year. He has observed that two villages are taken up for Debt Swapping and requested the banks to take up three villages this year.

Hon'ble Chief Minister advised the bankers to increase the agriculture credit to new farmers, tenant farmers and Rythu Mithra Groups. He said by next two to three years all farmers in various categories are covered under agriculture credit.

Hon'ble Chief Minister, said that Pulivendula Area Development Authority is started with Rs.10 crores to cater the needs of the SC/ST/BCs with a loaning facility for Dairy, Sheep & other Government sponsored Schemes along with the subsidy. Bankers are requested to formulate schemes and finance for the same.

**Reviving Rural Economy:**

Hon'ble Chief Minister, in his concluding remarks said that because of our efforts, the benefit should reach to common man and the Rural economy is to be revived. He felt that Fiscal discipline is also to be established.

**Sircilla Package:**

Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy has congratulated the Bankers who are involved in Sircilla Special Package Scheme and extended timely financial help for them. He also said because of that no further suicidal deaths have noticed from Sircilla.

Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy, requested bankers to give more loans to IKP Urban, Artisans, Weavers, Minorities economic activities.

Meanwhile Hon'ble Finance Minister Sri Rosaih said there are many problems at ground level especially in credit in IKP Urban schemes in implementation. When some of the people approached the banks for loans they are not being given proper treatment especially in Prakasham District. He has requested the executives/ officials of Banks, to instruct their branches in Prakasham District suitably.

Hon'ble Chief Minister has advised the bankers to mold as per the present situation and handle downtrodden with care and concern and extend loans.

Hon'ble Chief Minister Dr. Y.S. Raja Sekhara Reddy has said that Government will keep more CSPs in the Urban Areas.

**Sri. R.S. Reddy, President of SLBC of AP and Chairman and Managing Director of Andhra Bank has taken up a detailed discussion on the Agenda items.**

Smt. Rachel Chatterjee, IAS, Principle Secretary, Agriculture Dept., Govt. of AP. Secretariat, Hyderabad said that in certain districts Vizianagaram, Nalgonda, Rangareddy agriculture finance is at a low level. There should be special focus on these districts and these districts are also should reach 100% target set for agriculture finance. She said that Tenant Farmers / Joint Liability Groups set targets to be achieved during this year.

She said that Bankers have felt that identification of tenant farmers is the main problem for financing. Agriculture Department, Agriculture Officers will give a certificate stating that he is a tenant farmer and details of cultivating lands ( name of the owner of the agriculture land and survey no. ).

The CGM, NABARD has informed the house the system of financing JLGs is in practice since 2004-05 as NABARD has formulated a Scheme.

CGM, SBI informed that Banks are already financing the tenant farmers.

Sri. Hanumanth Rao, APGVB felt that there is a chance for double finance, if both owners and tenants are financed.

Mr. A. L. Nageswara Rao, convenor, SLBC of AP and General Manager of Andhra Bank has said that whenever owner farmer given loan, tenant farmer will not get loan on the same survey nos. as it leads to financing on the same land twice. Bankers to verify with their records before disbursements and Tenant Farmers also will give undertaking that owner has not taken loan on this land (survey no).

Sri. P. Rama Kantha Reddy, IAS, Chief Secretary, Government of Andhra Pradesh, Secretariat, Hyderabad said that two loans cannot be insisted on the same land.

Mr. Sunil Sharma IAS, Commissioner of Agriculture, Govt. of Andhra Pradesh has said that orders were issued to the field level functionaries to help the Banks by providing lists of Tenant farmers and uncovered farmers.

Hon'ble Minister Mr. Vasanth Kumar, Minister for Rural Development, Government of Andhra Pradesh felt that Rythu Mithra Groups should be treated on par with SHGs and finance can be extended. He requested the bankers to fix up a target of 300 RMGs per branch and take up finance.

**After discussing at length it is resolved that - For financing to RMGs for Farm mechanization up to Rs. 5.00 lakhs, Group Guarantee and Primary Security is to be taken as hypothecation. No Collateral Security should be taken.**

**In case of Loans sanctioned above Rs. 5.00 lakhs for Farm Mechanisation under RMGs, Group Guarantee, Primary Security Hypothecation and 50% of loan component as Collateral Security to be obtained.**

**Produce Loans being financed on Warehouse Receipts:**

Of late it is observed that the vigilance department seized the stocks kept by the farmers in the godowns. Banks generally finance for Produce loans by keeping the Ware House Receipts as security.

In Prakasham District, Andhra Pradesh Grameena Bank has financed Produce Loans against the Ware House Receipt to the tune of Rs.1.50 Crores. Bank has financed the amount as per RBI guidelines. It seems, Government of Andhra Pradesh at District Level Licence will be issued for Rural Godowns once in a year. In this particular case the license of the Rural Godown has not renewed by the District Administration. Not knowing the technicalities, APGB has financed amount against the Ware House Receipt of this godown. Later on the Produce kept by the farmers was seized by the Government of this godown.

In this scenario the amount financed by the bank declares the same as NPA as per banking norms. Similar situation was faced by SBI also.

The Chairman of APGB Mr. Hanumanth Rao requested the Government to look into this and do the needful.

Sri. P. Rama Kantha Reddy, IAS, Chief Secretary, Government of Andhra Pradesh, Secretariat, Hyderabad said that the matter will be resolved and advised the Executive of APGB to meet Principal Secretary Agriculture tomorrow and sort out the issue.

### **Small Farmers' Agri-Business Consortium**

Mr. R.P. Sarma General Manager (Consultant) SFAC, Govt. of India, highlighted the role of SFABC and indicated 14 schemes are allotted to Andhra Pradesh and requested Banks to finance them immediately.

### **Agriculture Insurance Corporation of India**

Mr. P. Nagarajun, CRM AIC RO Hyderabad, clarified that Crop Insurance coverage can also be done by Non Loan farmers voluntarily. Even Joint Liability Groups/ Tenant Farmers are also covered under Crop Insurance Scheme.

Hon'ble Minister for Rural Development Mr. V. Vasanth Kumar said that in case of loans given to Farm Mechanisation under Rythu Mithra Groups the value of the machinery can also be considerable for collateral security. If bankers feel that the guidelines of RBI cannot be ignored for sanctioning these loans, SLBC to take up with RBI.

Sri. R.S. Reddy President of SLBC of AP requested all bankers to send utilisation certificate for the amount disbursed by them to each farmer under State govt. incentive Scheme, under Agriculture Debt Waiver & Debt Relief Scheme – 2008 and / or return the balance of amount to Government of Andhra Pradesh by end July, 2009 POSITIVELY.

Sri. P. Rama Kantha Reddy, IAS, Chief Secretary, Government of Andhra Pradesh, Secretariat, Hyderabad also endorsed the same.

### **Financial Inclusion:**

Sri. R.S. Reddy President of SLBC of AP said that the time for implantation cannot be extended further and it should be completed by end of September, 2009.

Mr. K. Raju, IAS, Principle Secretary, Panchayath Raj & Rural Development, Government of Andhra Pradesh Secretariat Hyderabad said presently Smart Cards system is utilised by bankers for NREGP payments and Old Age Pension Payments only. He requested the bankers to use for other banks schemes also.

Mr.A.L.Nageswara Rao, convenor, SLBC of AP and General Manager of Andhra Bank said that already Andhra Bank has started for SHGs on experimental basis in our branches.

Sri. P. Rama Kantha Reddy, IAS, Chief Secretary, Government of Andhra Pradesh, Secretariat, Hyderabad advised all the banks to start with SHGs and extend to other banking transactions also.

Hon'ble Minister for Rural Development Mr.VVasanth Kumar said that Smart Cards are not distributed in full. He has requested the bankers to give priority for issuing Smart Cards for all the eligible persons and said that in West Godavari District it is going at slow pace.

Sri. B. P. Vijayendra Chief General Manager, Reserve Bank of India (RPCD) said that operations are not there in No Frills Accounts. He emphasized that RBI guidelines on KYC norms are to be followed without deviation while opening accounts and advised the banks to ensure operations are there in No Frills Accounts. He suggested that Smart Cards are to be issued. Reserve Bank of India will consider for reimbursement of Rs.50/- each account.

Sri. P. Rama Kantha Reddy, IAS, Chief Secretary, Government of Andhra Pradesh, Secretariat, Hyderabad advised that more number of operations are to be in these accounts. Mere opening of such accounts is not much useful.

Smt. Sumitha Dawra IAS, Director, Dept. of Financial Services, Ministry of Finance, Govt. of India has advised that wherever there is unbanked mandals/ blocks, branches are to be opened by this year end and also workout Business Correspondent Model for covering the entire Mandal.

Hon'ble Minister for Rural Development Mr. V. Vasanth Kumar said that last year two villages are chosen for TFI finance i.e. Bridge Loans and requested that 3 villages are to be approved for TFI finance.

Mr. A.L. Nageswara Rao, convenor, SLBC of AP and General Manager of Andhra Bank said that Under Debt Swapping banks have to follow laid down norms

Mr. K. Raju, IAS, Principle Secretary, Panchayath Raj & Rural Development, Government of Andhra Pradesh Secretariat Hyderabad said on an average Rs. 2.5 lakhs loan is to be given by the banks and there is need to increase the quantum.

Sri. P. Rama Kantha Reddy, IAS, Chief Secretary, Government of Andhra Pradesh, Secretariat, Hyderabad said activity should have relation to track record of Self Help Groups is also to be taken for releasing of the dosage of the amount. He opined that for good groups time period should not be a constraint for taking next dosage of the loan and bankers should not restrict and follow the laid down guidelines.

Hon'ble Minister for Rural Development Mr. V. Vasanth Kumar said in bank branches, especially from Self Help Groups Insurance is being insisted and controllers of banks should pass the instructions to their branches.

Smt. Pushpa Subrahmanyam, IAS, Secretary, Municipal Administration & Urban Development said, in Mahabubnagar district huge labour is migrating to surrounding districts including in Maharashtra and Karnataka states in search of employment. She requested that, to curtail the huge migration and to have a gainful employment in the Mahabubnagar district, Bankers should come forward and Siricilla Model Special Package Programme in Lending to needy to be replicated in at least 8 to 9 mandals.

Mr. K. Raju, IAS, Principle Secretary, Panchayath Raj & Rural Development, Government of Andhra Pradesh Secretariat Hyderabad said 20 mandals in Mahabubnagar district is having chronic problems. The department is preparing comprehensive proposals to place it in District Consultative Committee, Mahabubnagar.

Sri. R.S. Reddy President of SLBC of AP said this can be done, provided these schemes are viable and active government support is ensured. and attributed the Sircilla success to the excellent coordination achieved between Government and banks.

Hon'ble Minister for Housing Mr. S. Mohan Reddy suggested the following points.

Bridge loans are to be allowed for all the three types of houses that are being constructed.

- House to be built up in owner land/ plot
- Government Patta on that construction of House
- Government land – Group Houses constructed on these lands

Sri. R. Subrahmanyam, IAS, Managing Director, APSHCL, Hyderabad explained about Indiramma Housing Scheme.

He said Government is coming with a Guarantee scheme for the loans given by banks. He has highlighted Credit Guarantee Scheme RASI proposed by State Government. District Collector will be Coordinator at district level for the scheme. He said if any account will become NPA, required amount will be reimbursed by the Corporation on online system. He said the scheme is prospective and guarantee fee of 1% is one time fee only. Software is being developed. He also focused about the rate of interest up to Rs.50,000/- as per the RBI guidelines.

Sri. B. P. Vijayendra Chief General Manager, Reserve Bank of India (RPCD) Mumbai said Interest should be keeping in view cost benefit analysis of respective banks.

Mr. Anil Girotra, Executive Director, Andhra Bank said earlier given loans under various schemes for Housing also to be covered under this loan guarantee scheme.

Mr. M. Samuel, IAS Principle Secretary, Housing advised the forum that in principle scheme may be approved.

Mr. A.L. .Nageswara Rao, convenor, SLBC of AP and General Manager of Andhra Bank said the main reasons for these loans becoming NPAs are that Houses are not completed in time. As the same is not occupied by the borrowers, as such the borrower is not in a position to pay the bank loan amount. The modalities of the Scheme will be further discussed in the Steering committee Meetings.

Mr. M. Samuel, IAS Principle Secretary, Housing said House will not yield any income. The borrower has to repay the housing loan out of other loans allowed, which may yield the income.

Mr. K. Raju, IAS, Principle Secretary, Panchayath Raj & Rural Development, Government of Andhra Pradesh Secretariat said that Housing loan ceiling amount under SHGs to be enhanced from existing Rupees One lakh to Rupees Two Lakhs.

Sri. R. Subrahmanyam, IAS, Managing Director, APSHCL, Hyderabad said the housing loans repayment period is to be given as 10 years.

Smt. Pushpa Subrahmanyam, IAS, Secretary, Municipal Administration & Urban Development requested for Siricilla model Special Package to be replicated in at least one Municipal town in each district.

Sri. R.S. Reddy President of SLBC of AP and Chairman and Managing Director of Andhra Bank said such infrastructure is required and bankers can take up only when district administration is committed and proper atmosphere is created.

Mr. M. Sebastian, Chief General Manager and Ombudsman, Reserve Bank of India Hyderabad said that this was the first time he is attending SLBC Meeting. He felt that fruits of the Financial Inclusion to reach all through the service of banks. He said quality of customer service is important. He opined that Banking Ombudsman scheme is to be popularized and Banking Ombudsman to be invited to District Level Meetings also.

### **The following observations are made by other departments.**

#### **1. Government of India, National Commission for Scheduled Castes, Jurisdiction – Andhra Pradesh, Madhya Pradesh & Chhattisgarh**

Mr. V. Elisha Director, Government of India, National Commission for Scheduled Castes, Jurisdiction – Andhra Pradesh, Madhya Pradesh & Chhattisgarh has given a note for 166<sup>th</sup> SLBC of Andhra Pradesh. The contents of note are hereunder produced.

National Commission for Scheduled Castes have been spear – heading the cause of Scheduled Castes in so far as their all round development is concerned. SCSP is the most powerful toll in this regard. Many State Governments, including Andhra Pradesh, have taken budgetary controls to check the SCSP planning process. Regarding SCSP recently Government of Andhra Pradesh have constituted a nodal agency with high powers to monitor and formulate and pooling of funds. It is also gratifying that Hon'ble Chief Minister is the Chairman of apex Committee to monitor SCSP/ TSP. Commission welcomes these measures whole- heartedly.

However, it is Commission's experience that Banks are not serious about the following the same spirit as Government is following. The Weaker Sections especially SCs do not derive benefits from Banks.

It is a common knowledge that credit flow under various sectors, especially in MSME (Micro Small and Medium Enterprise), SSL (Service Sector Loans) and DRI schemes is not enough and do not get adequate groundings despite of sanction by various District authorities. MSME Sector was discussed in December 2008 by SLBC. An Action plan had to be drawn up at Government level.

So, this Commission suggests strengthening monitoring of above sectors and draw – up an action plan at Government level.



## 2. Chief Executive Officer and State Project Director, APRPRP has given a note for 166<sup>th</sup> SLBC of Andhra Pradesh which is as follows.

The Hon'ble Minister of Rural Development would like the following points on SHG – Bank Linkage discussed in the ensuing SLBC meeting on 13<sup>th</sup> July, 2009;

1. Saturation of all villages under TFI in the next 3 years – Each bank branch should identify two villages under TFI for the current year (2009-10) and also complete the grounding of TFI in the villages selected for 2008/09. Banks have to plan for coverage of all villages under TFI in 3 years – 2009/10 to 2011/12.

Allocation of villages to other commercial banks, if it is not possible for RRBs to provide adequate credit to SHGs. The District Collectors may get firm commitment on how much they (RRBs) are able to do. If they are not able to fulfill the district target, District Collector may reduce their villages and transfer those SHG accounts to a nearby Commercial without losing seniority of the S. H. Gs.

Banks should not insist on insurance and other schemes, while sanctioning loan to SHGs. There are reports that Banks are collecting insurance premium from the members of SHGs even though Govt. is implementing insurance schemes like AABY and JBY. This practice should be stopped. The SLBC has earlier resolved that banks will not insist on insurance tie-up while sanctioning loans to S.H.Gs.

Lack of participation of private banks in priority sector lending as well as their absence in DLCC and other meetings.

Waiver of penal interest charged to defaulting SHG loans (if any) wherein default is primarily due to misinformation during election time.

### The Action Points emerged in the Meeting are given below

No.	Agenda Item	Action Points
1	<b>Adoption of minutes of the 164<sup>th</sup> &amp; 165<sup>th</sup> SLBC meetings held on 12<sup>th</sup> Nov, 2008 and 26<sup>th</sup> Dec, 2008</b>	All Banks and Other Agencies are requested to implement the Agenda Items.  <b>(Action : All Banks &amp; Departments)</b>
2	<b>Adoption of minutes of the Steering Committee and Other Meetings of the SLBC held after 4<sup>th</sup> Nov, 2008.</b>	All the Banks are requested to implement the Schemes adopted in Steering Committees and inform the progress made.  <b>(Action : All Banks &amp; Departments)</b>

3	<p><b>Banking Key Indicators as on 31.03.2009</b></p> <p><b>No. of branches</b> – 6999</p> <p><b>Deposits</b> - Rs.2,05,899 cr</p> <p><b>Advances</b> - Rs.2,10,294 cr</p> <p><b>CD Ratio</b> - 102%</p> <p><b>Priority</b> - Rs.1,00,325 cr</p> <p><b>Sector Adv</b> (47.71%)</p> <p><b>Agri. Advances</b> - Rs.51,487 cr (24.48%)</p> <p><b>SSI/Rural</b> - Rs.21,128 cr</p> <p><b>Artisans</b> (10.05%)</p> <p><b>Other Priority-</b> Rs.27,710 cr</p> <p><b>Sector Adv</b> (13.18%)</p> <p><b>SHGs</b> - Rs.9,837 cr</p> <p><b>Our State stood at:</b> 5<sup>th</sup> position in Deposits, 4<sup>th</sup> position in Advances. 1<sup>st</sup> position in Priority Sector Advances. 1<sup>st</sup> position in Agri. Advances. 2<sup>nd</sup> position in CD Ratio 1<sup>st</sup> position in Rural CD Ratio (As on December,2008)</p> <p><b>Credit Deposit Ratio</b></p>	<ul style="list-style-type: none"> <li>➤ Deposits of banking sector in A.P are Rs.2,05,899 crores as against Rs.1,60,990 crores as on 31.03.2008 (i.e. an incremental deposits of Rs.44,909 crores which is 27.90%)</li> <li>➤ Advances of banking sector in A.P at the end of March 2009 are Rs.2,10,294 crores as against Rs.1,48,015 crores as on 31.03.2008 i.e an incremental advances of Rs.62,279 crores which is 42.08%</li> <li>➤ Total Priority Sector Advances are Rs.1,00,325 crores constituting 47.71% of total net banking credit against the prescribed norm RBI norm of 40%.</li> <li>➤ Agricultural advances Rs.51,487 crores constituting 24.48% of Net Banking Credit against the RBI norm of 18%. The growth in Agri. Advances in the State is 19.22% over last year.</li> <li>➤ Credit Deposit ratio of all Banks in the State is 102.13% against the RBI norm of 60%.</li> <li>➤ The CD ratio in all the districts in the state is more than the RBI norm of 60%.</li> <li>➤ CD Ratio is highest in "Nellore district" followed by West Godavari, Guntur &amp; East Godavari.</li> <li>➤ CD Ratio is just 60% in Karimnagar Dist and just above 60% in Chittoor, Adilabad, Ranga Reddy &amp; Visakhapatnam districts.</li> <li>➤ CD ratio in rural areas in Andhra Pradesh is 133%</li> </ul>
4	<p><b>Progress of Annual Credit Plan 2008-09</b></p>	<ul style="list-style-type: none"> <li>➤ <b>State Credit Plan</b> : Achievement under Annual Credit Plan during the year 2008-09 was Rs.43,803 crores against the target of Rs.47,000 crores i.e 93.20% of the target</li> </ul>

(Rs. Crores)			
Sector	Target	Achvmt	%
Crop Loan	20,000	16,469	82
ATL & Allied	6,000	7,172	120
SSI/Rural Cottage	7,000	7,497	107
O P S	14,000	12,665	90
<b>Total</b>	<b>47,000</b>	<b>43,803</b>	<b>93</b>

**a) Credit Flow to Agriculture – Crop Loans**

- **Crop Loans:** An amount of Rs.16,469 crores was disbursed during the year 2008-09 against the target of Rs.20,000 crores (82.35% achievement) at the end of March, 2009. Though there was a set back in Kharif 2008, we could reach Rs.8340 Crores as against the target of Rs.8000 Crores for Rabi 2008 – 09.
- **Agri.Term Loans:** An amount of Rs.7,172 crores was disbursed under Agri.Term Loans including allied activities against the target of Rs.6,000 crores (achievement is 119.53% of the target). First time we have achieved the Target of Term Loans.
- **Non-Farm Sector – (Small Scale Industries / Rural Artisans) :** An amount of Rs.7,497 crores was disbursed against the target of Rs.7,000 crores (achievement is 107.10% of the target at the end of March, 2009)
- **Other Priority Sector (Service Sector – Small Business, Prof. & Self Employed, Housing, Educational Loans etc.,) :** An amount of Rs.12,665 crores was disbursed against the target of Rs.14,000 crores for the year 2008-09 (90.47% of the target). The gap in achievement is due to slow down of Housing.
- Sanctioned Rs.925 crores as Educational Loans and an amount of Rs.2,713 crores as Housing Loans during 2008 – 2009.
- An amount of Rs: 16469 crores was disbursed during the year 2008-09 against the target of Rs: 20,000 crores (82.35 % achievement) at the end of March, 2009.

**b) Kisan Credit Cards**

83.17 lakhs
----------------

**c) RMGs & Coverage of non loanee New Farmers**

During FY 2009-10, it is proposed to cover another **5 lac** new farmers and **50,000** RMGs.

**Credit – Formation of Joint Liability Groups of Tenant Farmers and Uncovered Farmers to provide Credit**

**Tenant Farmers** : This year major focus will be on coverage of tenant farmers. Banks with the help of State Government likely to cover **50,000 Tenant Farmers** who are the members of RMGs formed in the State and Rs.250 crores may be earmarked for tenant farmers. Apart from the above, 2 lakh Tenant Farmers are to be covered under JLG model of NABARD with a minimum of 4 Farmers on Group Guarantee basis, each with a Maximum finance of Rs.50,000/- subject to Land holdings, Scale of Finance as per cropping pattern etc.

- 2.72 lakh new Kisan Credit Cards are issued to farmers during the year 2008-09 besides extending credit facilities to the existing KCC holders making total of 83.17 lac Kisan Credit Cards in the State, covering all the Crop Loan borrowers.
- Banks have disbursed crop loans to **271636 new farmers** with an amount of Rs: 653.80 crores during the year 2008-2009 against the target of 5 lac farmers registering 54 % achievement over the target.
- During the last five years 26,82,288 new farmers have been identified and financed against the target of 21.90 lakhs i.e achievement 122.48 % of target.
- All Banks are advised to disburse at least 100 new loans to farmers in each of their rural / semi urban branch. In case of Andhra Bank and State Bank of India, they are advised to disburse 150 new loans to farmers instead of 100.
- Each district may finance around 2300 RMGs and 2300 tenant Farmers in the 22 districts except Hyderabad.
- The bank wise targets of the above may be fixed by the DCCs / LDMs.
- Agriculture Department to send list of RMGs/Tenant Farmers under JLG Model by forming groups to the concerned service area bank branches well in advance, so that the scheme can be successfully implemented.

**(Action : Agri.Dept, All Banks,LDMs & DCCs)**

### Rythu Mithra Groups/ Joint Liability Groups - Farm Mechanization

<b>Subsidy</b>	: 40%
<b>Group Margin</b>	: 10%
<b>Bank Loan</b>	: 50%

**Target : 50,000 for 2009-10**

#### d. & e. Technical Ungradation of RMGs & Progress for the year 2008-09

#### f. Agri Clinics & Agri. Business Centers

- Non Loanee farmers who are owners for which the lists are to be prepared and furnished to the banks for the purpose of credit.
- Tenant farmers for which Joint Liability Groups of more than 4 members may be formed to enable the group member to offer mutual guarantee and access bank credit.

**(Action : Agri Department & All Banks)**

- During the year RMGs will also be Financed for Farm Machinery, wherein subsidy will be provided by the State Government at 40%.
- For High value loans above 5 lakhs, apart from Group Guarantee, hypothecation of machinery and 50% Collateral Security s like Lands and Farms will be accepted by banks.

**(Action: Agri Dept & Banks)**

- Progress is 77% during the year 2008-09.
- It is proposed to finance 50000 RMGs during the year 2009-10.
- Agriculture department, Govt. of A.P is requested to identify the interested applicants to set up "Agriclinics & Agribusiness centers". Selected candidates may be given training.
- Banks are requested to process and sanction for the units.
- Banks are advised to speed up the process of grounding of pending applications at various Banks.

**(Action : All Banks & Agri.Dept)**

**g. Common Due Dates for Short Term Credit in A.P State by all Banks**

1. While fixing the finance for the crops, DLTCs are requested to fix due dates for the crops to avoid problems to the banking sector and there is necessity to have uniformity.
2. All the banks to follow of lead bank guidelines as per scales of finance.

**(Action : DLTCs / LDMS)**

**i. Small Farmers' Agri-Business Consortium**

**14 units for 2009-10**

The major activities of SFAC:

To facilitate setting up of agribusiness venture,

To promote private investment in setting up of agribusiness project and provide assured market to the producers

To strengthen backward linkages of agribusiness projects with farmers.

To assist farmers, group of producers, agriculture graduates to enhance their participation in value chain through PDF.

SFAC is providing two major schemes:-

**P.D.F:**

Provides to farmers, group of producer, agribusiness Units in AEZ, agriculture graduates in preparation of bankable DPR through empanelled Consultants and institutions.

Strengthening of State SFAC AND Nodal Agencies.

As the target for Andhra Pradesh State for the year 2009-10 is 14 units, Banks may initiate steps for implementing the scheme

**(Action : SFAC & All Banks)**

	<p><b>V.C.A.:</b> SFAC provided equity to qualifying projects on the recommendation of bank financing the project. This equity will be repayable back to SFAC after the project has repaid the term loan of the financing work.</p>	
5	<p><b>Pattadar Pass Books</b></p>	<p>One of the main reasons for occurrence of frauds in the banks is that manipulation of certificates of land particulars and Pattadar Pass Books being issued by the revenue authorities to the farmers.</p> <ul style="list-style-type: none"> <li>➤ MROs are requested to give a copy of land records – village-wise to branch managers of the service area bank branches to facilitate cross verification of the Pattadar Pass Books while allowing crop loans.</li> <li>➤ Government may consider to provide with the details of lands being cultivated by tenant farmers to the bank branches in service area.</li> <li>➤ In the Pattadar passbooks, the total acreage should be written in both figures and words.</li> <li>➤ The sale transactions, division of land among family members should be recorded and updated. It is to be authenticated by revenue official.</li> <li>➤ Soft copy of Village wise land records may be given to service area bank branch by the revenue authorities to facilitate cross verification of the information.</li> <li>➤ Certificate being issued by Revenue authorities should include the acreage in words also.</li> <li>➤ Steps are to be taken by Govt. to complete the process of issuing pattadar pass books in all the districts.</li> <li>➤ To take stern action against those persons adopting production of fake Pattadar Pass Books and persons responsible for issuing such pass books.</li> </ul>

		<b>(Action : Govt. of A.P)</b>
6	<b>Land Holdings in the State</b>	<ul style="list-style-type: none"> <li>➤ The total number of operational holdings in the State is found to be 120.44 lakhs covering an area of 144.88 lakh hectares as against 115.31 lakh holdings in 2000-01 census and thereby accounting for an increase of 4.44 percent.</li> <li>➤ The area operated showed a marginal increase of 0.62 percent from 144.88 lakh hectares in 2005-06 to 143.99 lakh hectares in 2000-01. The average size of holdings in the State was 1.25 hectares in 2000-01 and declined showing 4% to 1.20 hectares in 2005-06.</li> <li>➤ Cropping intensity is one of the indices for assessing the efficiency of crop agriculture sector. The cropping intensity i.e., the ratio of gross area sown to net area sown is 1.26 in 2007-08 and it was 1.26 during 2006-07. The level of cropping intensity moves in consonance to the behavior of the monsoon and availability of irrigation water.</li> <li>➤ The irrigation intensity i.e., the ratio of gross irrigated area to net irrigated area is 1.35 in 2007-08, where as it was 1.36 in 2006-07.</li> <li>➤ The Net area under irrigated also increased to 46.44 lakh ha. in 2007-08 from 44.52 lakh ha. during 2006-07.</li> <li>➤ This scenario of Andhra Pradesh needs a serious look and for sustainable agriculture.</li> <li>➤ There is need to explore alternate cropping systems.</li> <li>➤ State Government is exploring Cooperative farming in two villages for each district, which is a welcome step.</li> </ul> <p style="text-align: right;"><b>(Action: Govt. of A.P)</b></p>



7	<p><b>Agriculture Debt Waiver &amp; Relief Scheme-2008</b></p> <table border="1" data-bbox="313 317 712 443"> <tr> <td>No of farmers Benefited</td> <td>- 63.41 lakhs</td> </tr> <tr> <td>Amount</td> <td>- Rs.11,354 cr</td> </tr> </table> <p>In recent budget, time for repayment for Other Farmers has been extended up to December, 2009.</p>	No of farmers Benefited	- 63.41 lakhs	Amount	- Rs.11,354 cr	<p>In this scheme <b>63.41 lakh Farmers</b> are benefited against the total farmers of <b>100.72 lakhs</b> availed bank finance in the State with an amount of Rs.11,354 crores.</p> <ul style="list-style-type: none"> <li>➤ All the banks are requested to note the extension of time and gear up the machinery to recover the amount in full, so that the accounts can be avoided to become NPAs.</li> <li>➤ Agriculture Dept. to assist in recovery <b>(Action : All banks &amp; Agri. Dept. )</b></li> </ul>
No of farmers Benefited	- 63.41 lakhs					
Amount	- Rs.11,354 cr					
7a	<p><b>Benefit of Rs.5000/- given by Govt. of A.P to the farmers who are not benefited under ADWRS 2008</b></p> <table border="1" data-bbox="280 867 829 993"> <tr> <td>No of farmers Benefited</td> <td>- 38 lakhs</td> </tr> <tr> <td>Amount</td> <td>- Rs.1,800 cr</td> </tr> </table>	No of farmers Benefited	- 38 lakhs	Amount	- Rs.1,800 cr	<ul style="list-style-type: none"> <li>➤ Many Banks are yet to submit the utilization Certificate to Government of Andhra Pradesh.</li> <li>➤ Banks are advised to submit the Utilisation Certificate and/ or return the unutilized amount immediately to Government of Andhra Pradesh before end of July, 2009.</li> </ul> <p style="text-align: right;"><b>(Action : All banks)</b></p>
No of farmers Benefited	- 38 lakhs					
Amount	- Rs.1,800 cr					
7b	<p><b>P.M's Relief package – Package of relief measures for Debt Stressed Farmers of 16 districts in A.P</b></p> <table border="1" data-bbox="337 1308 673 1434"> <tr> <td>Amount Crores</td> <td>- Rs.1963</td> </tr> </table>	Amount Crores	- Rs.1963	<p>P.M's Relief Package: To mitigate the distress of farmers, Government of India has approved a rehabilitation package in respect of Agriculture Credit containing (a) waiver of entire interest on overdue agricultural loans up to 01.07.2006 (b) rescheduling of loans (c) providing fresh loans to the farmers.</p> <ul style="list-style-type: none"> <li>➤ The Scheme is extended by Government of India till September, 2011.</li> <li>➤ Government of Andhra Pradesh has released G.O.Rt.No.1474 Dt. 31.03.2009, for 25% of Claim amount i.e. Rs.125,37,71,209/40 to all banks.</li> <li>➤ All the Banks may note the extension of date and implement the scheme</li> </ul>		
Amount Crores	- Rs.1963					

		<p>➤ Banks to finance various Animal Husbandry Schemes like Dairy &amp; Sheep and Goat in a time bound manner.</p> <p style="text-align: right;"><b>(Action : All banks)</b></p>
<b>8</b>	<p><b>Financial Inclusion</b></p> <p>9 districts have completed 100% of opening of accounts</p> <p>13 districts have completed 75-100% of opening of accounts</p> <p>Financing to 5 lac uncovered farmers and 50,000 tenant farmers.</p> <p>4 Financial literacy Credit Counseling Centers (FLCCs) are opened and 18 of such centers to be opened by end of Sep, 2009.</p> <p>RSETIs opened in 19 districts and 4 RSETIs are to be opened by SBI in its Lead Districts.</p> <p>Around Rs.9,837 crores under SHGs covered one crore women</p> <p>An amount of <b>Rs.15,117 crores relief is provided to farmers in A.P</b> under</p>	<p>➤ All the banks which have completed 100% financial inclusion by opening of “No Frill “ accounts are advised to issued <b>General Purpose Credit Card with a overdraft facility</b> in a phased manner and first part should be completed by 30<sup>th</sup> Sept, 2009 without further extension of time.</p> <p style="text-align: right;"><b>(Action : All Banks and LDMs)</b></p> <p>➤ All the 13 districts which have completed in implementation of financial inclusion between 75%-100% are advised to complete the task of completing 100% by 30.09.2009.</p> <p style="text-align: right;"><b>(Action : All Banks)</b></p> <p>➤ Government &amp; Banks to jointly workout strategies to finance more to tenant farmers.</p> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt.)</b></p> <p>➤ Banks to open FLCCs in their lead district by Sept, 2009.</p> <p style="text-align: right;"><b>(Action : All the Lead Banks)</b></p> <p>➤ SBI to open RSETIs in 4 of their Lead Districts before Sept., 2009</p> <p style="text-align: right;"><b>(Action : SBI )</b></p>

	<p>various schemes like Agrl .Debt. Waiver &amp; Debt Relief of 2008, Rs.5000/- benefit to farmers who are not covered under ADWDRS 2008 and P.M's Relief Package to Distressed Farmers in 16 districts of A.P</p> <p>81.63 lakh Farmers are covered under Accidental Insurance Scheme as all Kisan Card holders are covered under the scheme.</p> <p>81.26 lakh are covered under Jana Shree Bima Yojana, Aam Admi Yojana and Other General Insurance schemes with Subsidy Premium from Government of Andhra Pradesh through Mandal Samakhyas.</p> <p><b>Financial Inclusion of Marginalized communities in Hyderabad</b></p>	<ul style="list-style-type: none"> <li>➤ SBI is requested to speed up appointment of Business Correspondents and progress made in this regard to be informed to SLBC</li> <li>➤ Roshan Vikas Foundation is requested to coordinate closely.</li> <li>➤ MEPMA to submit proposals to NABARD in respect of all Semi Urban areas for claiming under FITF by May,2009</li> </ul> <p><b>(Action : MEPMA, SBI, UII &amp; RVF)</b></p>								
9	<p><b>Smart Card Project</b></p> <table border="1" data-bbox="337 1633 673 1915"> <tr> <td><b>Target</b></td> <td>- 116.24 lakhs</td> </tr> <tr> <td><b>Enrolled</b></td> <td>- 53.42 lakhs</td> </tr> <tr> <td><b>Cards issued</b></td> <td>- 33.87 lakhs</td> </tr> <tr> <td><b>Payments made</b></td> <td>- 167.73.cr</td> </tr> </table>	<b>Target</b>	- 116.24 lakhs	<b>Enrolled</b>	- 53.42 lakhs	<b>Cards issued</b>	- 33.87 lakhs	<b>Payments made</b>	- 167.73.cr	<p>The Smart Card Project is for supporting the disbursement of money under various schemes by Rural Development Dept., Govt of Andhra Pradesh under its various schemes such as Social Security Pensions Scheme (SSP), National Rural Employment Guarantee Scheme-AP (NREGS) in the designated districts.</p> <ul style="list-style-type: none"> <li>➤ All the banks are requested to issue</li> </ul>
<b>Target</b>	- 116.24 lakhs									
<b>Enrolled</b>	- 53.42 lakhs									
<b>Cards issued</b>	- 33.87 lakhs									
<b>Payments made</b>	- 167.73.cr									

	<p>Andhra Bank is implementing Pilot Project for SHG – Bank Linkage in East Godavari District.</p> <p>SBI is implementing Project for Urban SHGs in Hyderabad.</p>	<p><b>Smart Cards</b> who have enrolled as members in the scheme for all categories of borrowers including SHGs/farmers/weaker section borrowers.</p> <ul style="list-style-type: none"> <li>➤ A time bound Programme is to be adopted for issuing Smart Cards.</li> <li>➤ Banks to explore to route through payments other than Govt. Schemes under the project.</li> </ul> <p style="text-align: right;"><b>(Action : All the banks )</b></p>
10	<p><b>Un Banked and One Banked Areas</b></p> <p>Steps will be initiated for up scaling banking facilities in these areas.</p>	<p>At the State Level in 7 Mandals there is no bank branch and in 109 Mandals, there is only one bank branch.</p> <ul style="list-style-type: none"> <li>➤ Place the item for discussion in the ensuing DCC meeting and draw the attention of all the concerned.</li> <li>➤ Ensure Provision of banking services in all the 7 unbanked mandals by the end of December, 2009.</li> <li>➤ Take steps for improving the banking services in all the 109 Mandals where only one bank branch functioning.</li> <li>➤ Collect data on the villages with population of 2000 and above and collect information whether banking services are available in the village or not.</li> <li>➤ Constitute a sub committee of DCC and arrive at an action plan before October, 2009 keeping in view the broad recommendations of the High Level Committee.</li> <li>➤ Enlist the available Business Correspondents in the districts.</li> <li>➤ Inform the proceeding of DCC meetings on this point to SLBC on regular basis.</li> <li>➤ Where the Mandal has become unbanked/ One banked due to closure of bank branch or shifting of the bank branch is effected is advised to de closure of the bank</li> </ul>

		<p>branch or shifting the bank branch to the previous place duly after discussing in the DCC.</p> <ul style="list-style-type: none"> <li>➤ A comprehensive plan has to be discussed in the DCC and by March, 2010, <b>no unbanked Mandal</b> is existing.</li> <li>➤ Also where there is one bank branch in the mandal, ascertain to establish another bank branch.</li> <li>➤ All Districts to review Branches closed / shifted due to Security reasons, review once again in DCC by calling concerned Supt. Of Police to DCC.</li> </ul> <p>For overall improvement of banking out reach, the following may be followed:</p> <ol style="list-style-type: none"> <li>1. Opening of Branches in Unbanked Mandals Or</li> <li>2. Business Correspondents Model.</li> <li>3. Reviving of VO</li> <li>4. Opening Mobile Cluster Branches.</li> </ol> <p style="text-align: right;"><b>(Action : All Lead banks )</b></p>
11	<b>The Lead bank Scheme – High Level Committee Recommendations in brief</b>	<ul style="list-style-type: none"> <li>➤ Reserve Bank of India has constituted a High Level Committee under the Chairman ship of Smt. Usha Thorat, Deputy Governor, Reserve Bank of India in terms of announcement made in the mid-term review of Annual Policy for the year 2007 – 2008.</li> <li>➤ Banks to review the suggestion</li> </ul> <p style="text-align: right;"><b>(Action : All the banks )</b></p>
12	<b>Cautioning the members of public against fictitious offers of remitting cheap funds</b>	<ul style="list-style-type: none"> <li>➤ Reserve Bank of India communicated that Of late, it has been observed that the General Public are receiving fictitious emails/offers for release of cheap funds claimed to have been remitted by overseas entities to banks in India/ Reserve Bank of India.</li> <li>➤ Reserve Bank of India has already given wide publicity through print</li> </ul>

		<p>media to alert to be cautious in dealing with such fraudulent claims.</p> <ul style="list-style-type: none"> <li>➤ All the Banks are advised to communicate the same to all the Branches to be more vigilant..</li> </ul> <p style="text-align: right;"><b>(Action : All the banks )</b></p>
13	<p><b>Allowing Gold Loans – Observations of NIRD</b></p>	<ul style="list-style-type: none"> <li>➤ NIRD felt that the credit flow form Commercial Banks and RRBs is not picking up due to competition from Non Banking Financing Companies (NFBCs) operating in the system. It is reported that NFBCs are lending to the extent of Rs. 900/- to Rs.1100/- per gram as against Rs.650/- to Rs.900/- per gram offered by Banks. Regarding Interest Rates Banks are charging interest around 12.14% and NBFCs are charging Interest around 26 to 28%.</li> <li>➤ NIRD felt that it is worthwhile to increase the quantum of loan per gram with a reasonable margin of 20 to 25% so as to attract good customers and cover non – priority purposes also at a differential rate.</li> <li>➤ NIRD expressed that since financing against pledge of gold ornament is a secured advance, it is necessary that Banks should increase the quantum so as to compete with other lending institutions facilitate flow of credit at affordable rates.</li> <li>➤ In one of the Southern States, Kerala, it was observed that one of the NBFCs was planning to open 400 branches for financing against gold ornament, evidencing a major credit gap in the state.</li> <li>➤ NIRD felt that the Public Sector Banks should identify appropriate strategies to improve lending under the scheme which will concurrently help in achieving Financial Inclusion and Economic Development.</li> <li>➤ NIRD also informed, that some</li> </ul>



		<p>proportionate basis to NABARD.</p> <ul style="list-style-type: none"> <li>➤ Interest Subsidy claimed so far revealed that only 10% of the eligible claims were submitted by the banks. As Interest Scheme was envisaged to encourage regular repayments, the banks may advise the branches to submit claims for interest subsidy in respect of all regular loans under the scheme. </li></ul> <p style="text-align: right;"><b>(Action : All the banks)</b></p>
15	<b>Loans to Denotified Nomadic Tribes (DNTs)</b>	<ul style="list-style-type: none"> <li>➤ The National Commission for Denotified Nomadic and Semi-Nomadic Tribes ( NCDNSNT ) has interalia recommended that bank loans should reach Denotified Nomadic Tribes (DNTs) to enable them to undertake suitable economic activities and appropriate percentage be fixed for the group within the over target of PSL and the sub- target for weaker section.</li> </ul> <p style="text-align: right;"><b>(Action : All the banks)</b></p>
16	<b>Advertisement Tax for displaying sign boards of banks at premises of branch/ATMs – by Govt. of A.P</b>	<p>Banks normally display the Boards at their premises to indicate the location of the Branches and ATMs.</p> <p>The Contractors appointed by the Municipal administration are serving notices on Banks for payment of hefty tax for displaying sign boards at the premises of their Branches and ATMs.</p> <ul style="list-style-type: none"> <li>➤ Dept. of Municipal Administration and Urban Development, Government of AP is requested to look into the matter and take steps for releasing orders and suitably advise the Contractors, not to collect Advertisement Tax for displaying Sign Boards of Banks at the premises of Branches and ATMs till the modification GO is issued.</li> </ul> <p style="text-align: right;"><b>(Action : MA&amp; UD, Government of A.P)</b></p>



<p><b>17</b></p>	<p><b>Micro, Small and Medium Enterprises</b></p> <div data-bbox="313 281 647 407" style="border: 1px solid black; padding: 5px;"> <p><b>Out standing Level as on 31.03.2009</b></p> <p>Rs.21,128 crores</p> </div> <div data-bbox="313 478 647 630" style="border: 1px solid black; padding: 5px;"> <p><b>Projections for MSME 2009-10</b></p> <p>Rs.18,500 crores</p> </div> <div data-bbox="313 663 647 869" style="border: 1px solid black; padding: 5px;"> <p><b>Restructuring of MSME accounts upto May 09</b></p> <p>No.of a/cs – 29086 Amount – Rs.1,214 cr</p> </div>	<ul style="list-style-type: none"> <li>➤ Disbursed Rs:7,497 crores to about 2.83 lakh units during the financial year 2008-09. Out of total projection of Rs.18,500 crores to MSME, it is proposed to disburse Rs: 8,000 crores to 3.59 lakh units under Small Scale Industries during the year 2009-10.</li> <li>➤ Outstanding loans as on 31.03.2009 are Rs.21,128 crores and an amount of Rs.18,500 crores is projected for MSME during the year 2009-10.</li> <li>➤ Banks are requested to initiate necessary steps to enhance the flow of credit to these clusters.</li> <li>➤ All the Banks are requested to Establish MSME Care Centers and inform the details to SLBC immediately.</li> <li>➤ All the Banks are requested to open specialized MSME Branches in all the districts.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks )</b></p>
<p><b>18</b></p>	<p><b>Industrial Clusters in the districts – Credit Needs</b></p>	<ul style="list-style-type: none"> <li>➤ 32 centers have been identified for Cluster Lending. Cluster approach may be encouraged.</li> <li>➤ Industries Department to prepare plans for 32 clusters identified in the district.</li> <li>➤ Flow of Credit to Cluster and Credit flow to MSMEs to be discussed in DCCs.</li> </ul> <p style="text-align: right;"><b>(Action : All Lead Banks &amp; LDMS)</b></p>
<p><b>19</b></p>	<p><b>Housing Loans</b></p> <div data-bbox="337 1564 672 1659" style="border: 1px solid black; padding: 5px;"> <p><b>Outstanding as on 31.03.2009 – Rs.19,835 cr</b></p> </div> <div data-bbox="337 1688 672 1810" style="border: 1px solid black; padding: 5px;"> <p><b>Projected o/s by March, 2010 – Rs.23,000 cr</b></p> </div>	<ul style="list-style-type: none"> <li>➤ Outstanding at the end of March 2009 is Rs: 19,835 crores. Disbursed Rs: 2,713 crores during 2008-09. An amount of Rs: 3,197 crores is earmarked for Housing Loans during the year 2009-10 and likely outstanding will be Rs.23,000 crores by March, 2010.</li> <li>➤ Banks to give priority for housing loans.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks)</b></p>

<b>20</b>	<b>Housing Schemes – NHB</b>	<ul style="list-style-type: none"><li>➤ Government of India, Ministry of Housing &amp; Urban Poverty Alleviation (MH &amp; UPA), has recently launched the Interest Subsidy Scheme for Housing Urban Poor (ISHUP) to address urban housing shortage in the country. The scheme provides for interest subsidy of 5% per annum on loan of up to Rs. 1 lakh for the Economically Weaker Section (EWS) and lower income group (LIG) in the urban areas for acquisition/ construction of houses. The Scheme will leverage flow of institutional finance for the EWS and LIG segment and is expected to create and additional housing stock of 3.10 lakh houses for EWS/LPG segments over the next 4 years (2008-12). This is being done on a pilot basis, which may be scaled up in due course, in the light of the experience.</li><li>➤ The Government of Andhra Pradesh has decided to extend the Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) Scheme to the beneficiaries of URBAN INDIRAMMA Housing Programme.</li><li>➤ A target of 236613 has been proposed for the year 2009 – 2010 under this Programme for Indiramma Urban Housing Scheme to the tune of Rs.30,000 per beneficiary.</li><li>➤ Extending Credit Guarantee Scheme for all Housing Loans including Indiramma, VAMBAY, Rajiv Gruha Kalpa Schemes under proposed Credit Guarantee Scheme.</li></ul> <p style="text-align: right;"><b>(Action : All Banks)</b></p>
-----------	------------------------------	---

21	<b>Reverse Mortgage Loans</b>	<ul style="list-style-type: none"> <li>➤ Reverse Mortgage Loans provides an opportunity to house owners to avail of a monthly stream of income against the mortgage of his/her house. While remaining the owner and occupying the house throughout his/her lifetime, without repayment or servicing of the loan.</li> <li>➤ All the Banks are advised to lend in this sector, as there is a large scope to finance for this sector.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks)</b></p>
22	<b>Educational Loans</b> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><b>Outstanding : Rs.4,198 cr</b></p> <p><b>Projections</b></p> <p><b>For 2009-10 : Rs.1,431 cr</b></p> </div>	<ul style="list-style-type: none"> <li>➤ Amount outstanding under this sector at the end of March 2009 is Rs: 4,198 crores. During 2008-09, an amount of Rs. 925 Crores was disbursed under educational loans scheme. An amount of Rs: 1,431 crores is projected for the year 2009-10 and likely outstanding will be Rs.5,600 crores by March, 2010. Credit Guarantee Scheme for Education Loans to be worked out by Government of India / IBA</li> </ul> <p style="text-align: right;"><b>(Action : IBA &amp; All Banks)</b></p>
23	<b>Minorities Communities</b> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><b>Outstanding as on 31.03.2009</b></p> <p><b>Rs.5,970 crores</b></p> </div> <p>Centers: In Andhra Pradesh we have 25 Towns, concentrated by Minority Communities in addition to entire Hyderabad District.</p> <p>The lending is to be increased from 5% to 15%</p>	<ul style="list-style-type: none"> <li>➤ Ministry of Finance, Gol has decided to step up priority sector lending to minorities from the existing level of 9% to 15% over the next three years ( i.e. by 2009-2010).All the banks should attain the target of 15% advances to Minorities as per Government of India guidelines (progressively from 5%.)</li> <li>➤ Outstanding loans to minorities as on 31.03.2009 are Rs.5,970 crores</li> <li>➤ Opening Branches in Minorities concentrated towns and Organizing loaning programmes to Minority communities</li> <li>➤ Banks to initiate immediate steps for improving lending to Minorities to achieve the set target.</li> </ul> <p style="text-align: right;"><b>( Action: All Banks)</b></p>

24	<p><b>Loans to Weaker Section &amp; Women</b></p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p><b>Loans to Weaker Sections – Outstanding as on 31.03.2009</b></p> <p>Rs.23,861 crores (11.35% of total advances against the RBI norm of 10%)</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p><b>Loans to Women Borrowers – Outstanding as on 31.03.2009</b></p> <p>Rs.23,242 crores (11.05% of Net Bank Credit against the RBI norm of 5%)</p> </div>	<ul style="list-style-type: none"> <li>➤ <b>Loans to Weaker sections:</b> Out of total outstanding advances under Priority sectors as on 31.03.2009, an amount of <b>Rs: 23,861 Crores</b> is pertaining to weaker sections including SC/STs, <b>which is 11.35% of Total</b> advances against the <b>RBI norm of 10%</b></li> <li>➤ <b>Loans of women borrowers is Rs: 23,242 Crores</b> at the end of 31.03.2009, which is 23.17% of total <b>Priority sector advances (11.05% of net bank credit against the RBI norm of 5% of net bank credit)</b></li> <li>➤ Banks to take steps for improving the lending to S.C/S.ts, Women and Other disadvantaged sections.</li> </ul> <p style="text-align: right;"><b>(Action: All Banks)</b></p>
25	<p><b>APBIRED</b></p>	<ul style="list-style-type: none"> <li>➤ Since inception i.e. from October 2007 to 31 March 2009,, the institute had conducted 47 training Programmes with a participation of 1317 and the overall average participation working out to 28 participants per programme.</li> <li>➤ During the year 2008-09, the institute has orgaqnised 32 programmes with a participation of 882 trainees.</li> <li>➤ APBIRED provides land holding to the trainees for a period of two years. Further, campus placements are facilitated at the end of training.</li> <li>➤ Government of Andhra Pradesh is requested to permit for construction of compound wall for 10 Acres of land. So that laying of Foundation stone can be done during August / September, 2009.</li> </ul> <p style="text-align: right;"><b>( Action : AP Govt.)</b></p>
26	<p><b>Rural Self Employment Training Institutes</b></p>	<ul style="list-style-type: none"> <li>➤ Rural Training Institutes set up by various Banks conducting different vocational training programs for the benefit of rural unemployed youth,</li> </ul>

	<p>19 RSETIs are functioning and 4 RSETIs to be opened by SBI</p>	<p>farmers, SHG women, artisans etc.,</p> <ul style="list-style-type: none"> <li>➤ The good work carried out of these Institutes have arrested the migration of the rural poor to urban areas in search of the livelihood.</li> <li>➤ At present, 19 districts of the State are covered by the Rural Institutes already established by different Banks and in the remaining four districts of Visakhapatnam, Vizianagaram, Medak and Mahaboobnagar, the Lead Banks to initiate steps to set up RSETI in their respective districts so that Andhra Pradesh would become the first State in the Country to have presence of RSETIs in all its districts.</li> </ul> <p style="text-align: right;"><b>( Action: SBI)</b></p>
27	<p><b>Financial Literacy cum Credit Counseling Centres</b></p> <p>Opened - 4</p> <p>To be opened - 18</p>	<ul style="list-style-type: none"> <li>➤ The broad objective of the Financial Literacy and Credit Counseling Centers are to provide free financial literacy/ education and credit counseling</li> <li>➤ Educate people in rural and urban areas regarding the various financial products and services available from the formal financial sector;</li> <li>➤ All the banks are requested to take steps for opening such centers in all the districts BY Sept, 2009</li> <li>➤ Organize programmes in villages to educate farmers and other people through various strategies.</li> <li>➤ Andhra Bank has already opened in their 4 Lead Districts. SBI, SBH, Indian Bank and Syndicate Bank are advised to open such centers in their Lead Districts before September, 2009.</li> </ul> <p style="text-align: right;"><b>(Action : Lead Banks)</b></p>
28	<p><b>Centre for Rural Credit and Development Banking</b></p>	<ul style="list-style-type: none"> <li>➤ The NIRD institute has taken initiative towards setting up an exclusive “Centre for Rural Credit and Development Banking” common</li> </ul>

		<p>facility for all the Public Sector Banks, RRBs and Cooperative Banks.</p> <ul style="list-style-type: none"> <li>➤ The institution appeals all the banks for contribution, as the investment is estimated around Rs.5 to 6 Crores</li> <li>➤ All the Banks may examine for giving contributions for the proposal of setting up of Centre for Rural Credit and Development Banking at NIRD and send their willingness to SLBC, so as to inform the same to NIRD.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks)</b></p>
29	<b>Security of Banks – Issues raised by Banks</b>	<ul style="list-style-type: none"> <li>➤ Many incidents of Thefts and Robberies, Arson and Dharnas are being reported with the involvement of some misguided elements. Further, the incidents of Terrorist activities are on rise and there is need to review the whole security system and also draw the attention of State level machinery.</li> <li>➤ All the points are to be communicated to Director General of Police for taking suitable action.</li> <li>➤ DCC can also discuss Security concerns by calling concerned</li> </ul> <p style="text-align: right;"><b>( Action : Govt. of A.P)</b></p>
30	<b>Attending various meetings under Lead Bank Scheme by appropriate authorities for Govt. Depts. / Banks</b>	<ul style="list-style-type: none"> <li>➤ All the Banks including RRBs to ensure attending SLBC/DCC/JMLBC Forums.</li> </ul> <p style="text-align: right;"><b>(Action : All Govt. Officials at all levels &amp; LDMs)</b></p>
31	<b>Extending Finance in Siricilla Town</b> * Progress Report enclosed.	<ul style="list-style-type: none"> <li>➤ Banks to complete their targets. Andhra Bank has already completed the targets.</li> <li>➤ Govt. may provide training to all youth of Siricilla town in a phased manner to take up alternative employment.</li> </ul> <p style="text-align: right;"><b>(Action : All 8 banks involved)</b></p>

32	<b>Compliance of RBI guidelines</b>	<ul style="list-style-type: none"> <li>➤ Banks may follow the instructions given by RBI from time to time without any deviation and send compliance details, to RBI, Hyd.,</li> <li>➤ All the Banks to inform the mechanism being adopted by them for compliance to RBI.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks)</b></p>
33	<b>Government Sponsored Schemes</b> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <b>All Schemes:</b>  Outlay : Rs.13,248.88 cr  Bank Loan : Rs.12,326.21 cr  Sub/M.M : Rs. 922.67 cr </div>	<ul style="list-style-type: none"> <li>➤ Total outlay of Rs.13,248.88 crores is earmarked with bank loan portion of Rs.12,326.21 crores for disbursement, with subsidy/margin money amount of Rs.922.67 crores under all Govt.Sponsored Schemes during the Financial Year 2009-10 including SHGs.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
34	<b>Animal Husbandry Schemes</b> <div style="border: 1px solid black; padding: 5px; margin-top: 10px; width: fit-content;"> <b>Rs.266.75 cr</b> </div>	<ul style="list-style-type: none"> <li>➤ Total Fin.outlay is Rs.266.75 crores with bank loan component of Rs.150.24 crores.</li> <li>➤ <b>Induction of Milch Animals</b> -Under P.M's Spl .Live Stock Package - Rs.21.34 cr, C.M's Spl.Live Stock Package – Rs.58.75 cr and Rs.58.65 cr under RKVY are projected as bank loan for the year 2009-10.</li> <li>➤ <b>Calf Induction Programme</b> – Under RKVY – Rs.5.50 cr and Rs.6.00 cr for Jeeva Kranthi Pathakam are projected as bank loan for the year 2009-10.</li> <li>➤ <b>Permit to purchase Local varieties under all Schemes.</b></li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
35	<b>Fisheries Sector</b> <div style="border: 1px solid black; padding: 5px; margin-top: 10px; width: fit-content;"> <b>Rs.30.66 cr</b> </div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.30.66 crores is projected with bank loan amount of Rs.19.73 crores during 2009-10</li> <li>➤ Banks and Government department jointly workout modalities for finance.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>

36	<b>A.P.Micro Irrigation Project</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">Rs.545.23 crores</div>	<ul style="list-style-type: none"> <li>➤ Under this programme it is proposed to cover 1.50 lakh ha with financial outlay of Rs.545.23 crores with subsidy amount of Rs.381.66 crores for the year 2009-10 .</li> <li>➤ Greater coordination is required between APMIP and Banks for improvement in lending.</li> <li>➤ Monitor flow of credit in DCC Meetings regularly</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
37	<b>Swarnajayanthi Gram Swarojgar Yojana</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">Rs.239.98 crores</div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.239.98 crores is projected for the year 2009-10</li> <li>➤ Banks to reach targets as done in last 5 years.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
38	<b>Self Help Groups</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">Rs.9,000 crores For 2009-10</div> <p>Steps are to be taken for sustaining the programme.</p> <p>Economic activities are to be encouraged to be taken up by SHGs.</p>	<ul style="list-style-type: none"> <li>➤ As on 31.03.2009 9.89 lakh groups were financed and the amount outstanding is Rs.9,837 crores. During the financial Year 2009-10 Rs.9,000 crores is projected to finance to SHGs.</li> <li>➤ SLBC approved guidelines in Dosage of lending to be followed.</li> <li>➤ Report SHGs lending to DCC / SLBC regularly.</li> <li>➤ Banks should not insist insurance for SHGs</li> <li>➤ Open accounts under Abhaya Hastham</li> <li>➤ SERP to monitor recovery regularly</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
39	<b>Swarna Jayanthi Shahari Rozgar Yojana (MEPMA)</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">Achievement for 2008-09 - Rs.843.12 cr</div> <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">Projected for 200-10 – Rs.1350 cr</div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.1350 crores is projected under SHG Bank Linkage, SHG Disability Programme and USEP for the financial year 2009-10.</li> <li>➤ Work out economic activities and train them accordingly.</li> <li>➤ Monitor closely for functioning &amp; recovery</li> </ul>



		<ul style="list-style-type: none"> <li>➤ Financing as per dosage fixed by SLBC.</li> <li>➤ Finance for debt swapping</li> <li>➤ Opening accounts under Abhaya Hastham</li> </ul> <p style="text-align: center;"><b>(Action : All Banks &amp; MEPMA)</b></p> <p>All the Banks are advised to follow the guidelines of RBI Master Circular RPCD. No. SP.BC.4/09.16.01/2008-09 dated 1<sup>st</sup> July, 2008 on Priority Sector Lending - Special Programmes – Swarna Jayanthi Shahari Rozgar Yojana (SJSRY) without any deviation</p> <p style="text-align: right;"><b>(Action : All Banks)</b></p>
40	<b>Artisan Credit Cards/Handloom Weavers Groups</b> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <b>Artisan Credit Cards - Rs.37.50 cr</b> </div> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <b>Handloom weaver Group - Rs.32 cr</b> </div>	<ul style="list-style-type: none"> <li>➤ <b>Artisan Credit Cards</b> : It is proposed to issue 15000 cards during 2009-10 with bank loan of Rs.37.50 crores.</li> <li>➤ <b>Handloom Weaver Groups</b> : It is proposed to finance 1600 groups with bank loan of Rs.32.00 crores during the financial year 2009-10</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
41	<b>A.P. B.C. Corpn. Schemes</b> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <b>Total - Rs.50 crores</b>   <b>Subsidy Scheme - Rs.10 cr</b>   <b>Rajiv Abhyudaya Yojana - Rs.40 cr</b> </div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.10 crores with bank loan of Rs.4 crores is projected for the year 2009-10 under Margin money(subsidy) scheme.</li> <li>➤ An amount of Rs.40 crores with bank loan of Rs.16 crores under Rajiv Abhyudaya Yojana scheme is projected during 2009-10.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
42	<b>S.C.Action Plan</b> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <b>Rs.364.62 crores</b>            ( Subsidy – Rs.182.12 cr            Bank Loan – Rs.182.50 cr)         </div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.364.62 crores with bank loan of Rs.182.50 crores is projected for the financial year 2009-10</li> <li>➤ Banks financed schemes to be monitored in JMLBC / DCC regularly</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>

43	<b>Schemes for Minorities through A.P. Minorities Corpn.</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Rs.56 crores</div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.56 crores is projected by Minorities Corporation during the financial year 2009-10 to 9280 units.</li> <li>➤ Banks to lend to Minority Communities especially in 25 new identified places in Hyderabad Dist.</li> <li>➤ Opening Branches in Minority Concentrated Districts.</li> <li>➤ Organise loaning programmes in Minorities Concentrated Centres.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
44	<b>Interest subsidy scheme of KVIC</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Rs. 12.63 crores</div>	<ul style="list-style-type: none"> <li>➤ The credit requirement under interest subsidy scheme of KVIC is projected at Rs.12.63 crores during 2009-10.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
46	<b>Schemes for S.Ts</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <b>Rs.83.08 crores</b>            ( Bank Loan – Rs.37.14 cr            Subsidy – Rs.45.94 cr)         </div>	<ul style="list-style-type: none"> <li>➤ A.P.S.T.Corpn has projected an amount of Rs.83.08 crores with bank loan of Rs.37.14 crores and physical outlay of 21,538 members during 2009-10.</li> <li>➤ Banks to finance the schemes</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
47	<b>Sericulture</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <b>Rs.78.85 crores</b>            (Bank Loan – Rs.42.74 cr)         </div>	<ul style="list-style-type: none"> <li>➤ It is proposed to finance 25,735 units during 2009-10. An amount of Rs.78.85 crores is projected with bank loan of Rs.42.74 crores.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
48	<b>Housing Schemes</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <b>Bank Loan - Rs.731.00 crores</b> </div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.731 crores is projected under Indiramma I,II &amp; III housing Scheme.</li> <li>➤ Assist Banks in recovery of loans under VAMBAY / RGK Schemes</li> <li>➤ Govt. to introduce Credit Guarantee Scheme with Consultation of RBI</li> <li>➤ Banks to finance in a time bound manner</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>

49	<b>Schemes for Disabled</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;"> <b>Rs.9.31 crores</b> </div>	<ul style="list-style-type: none"> <li>➤ During the Financial year 2009-10, it is proposed to finance Rs.9.31 crores.</li> <li>➤ Banks to finance for the schemes</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
50	<b>Schemes for Christians</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;"> <b>Projections for 2009-10 – Rs.7 cr</b>   <b>Bank Loan – Rs.2.80 cr</b>   <b>Subsidy - Rs.4.20 cr</b> </div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.4.00 crores with bank loan of Rs.1.60 crores is projected during 2009-10 under Economic Support Programme and Rs.3 crores with bank loan of Rs.1.20 crores under SHG Fin. Linkage Programme.</li> <li>➤ Banks to lend for the schemes.</li> <li>➤ DCCs to monitor closely.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
51	<b>Rajiv Yuva Sakthi</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;"> <b>Total Projection -Rs.120 cr ( in the first half year)</b>   <b>Bank Loan - Rs.88 cr</b>   <b>Subsidy - Rs.32 cr</b> </div>	<ul style="list-style-type: none"> <li>➤ It is proposed to finance Rs.120.00 crores with bank loan portion of Rs.88 crores during the first half year 2009-10</li> <li>➤ Banks to lend for the schemes.</li> <li>➤ DCCs to monitor the scheme</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
52	<b>PMEGP</b>  <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;"> <b>Total Projection - Rs.233.97 cr</b>   <b>Bank Loan - Rs.180.77 cr</b> </div>	<ul style="list-style-type: none"> <li>➤ An amount of Rs.233.97 crores with bank loan of Rs.180.77 crores and a physical target of 4433 is projected for the financial year 2009-10 by KVIC</li> <li>➤ Monitor closely its implementation and complete Grounding in a time frame</li> </ul> <p style="text-align: right;"><b>(Action : All Banks &amp; Govt)</b></p>
53	<b>Service Centre Agencies under the CSC scheme</b>  Units - 5000 Amount – Rs.50 cr	Government of India has launched a Service Centre Agency under the CSC Scheme for entire country. <ul style="list-style-type: none"> <li>➤ <b>Common Services Centers (CSC)</b> Scheme is one of the largest IT projects under taken by Government of India and is being implemented in an entrepreneurial model for ensuring long term sustainability of the centers as well as optimizing benefits.</li> </ul>

		<ul style="list-style-type: none"> <li>➤ Banks to finance in Rural godowns.</li> <li>➤ Department of Information Technology to monitor closely on implementation</li> </ul> <p style="text-align: right;"><b>(Action : All Banks)</b></p>								
<b>54</b>	<b>Schemes for Nayee Brahmins</b> <table border="1" style="margin-left: 20px;"> <tr> <td><b>Total Projection</b></td> <td>: Rs.1.00 cr</td> </tr> <tr> <td><b>Subsidy</b></td> <td>: Rs.0.50 cr</td> </tr> <tr> <td><b>Bank Loan</b></td> <td>: Rs.0.40 cr</td> </tr> <tr> <td><b>Beneficiary Contribution</b></td> <td>: Rs.0.10 cr</td> </tr> </table>	<b>Total Projection</b>	: Rs.1.00 cr	<b>Subsidy</b>	: Rs.0.50 cr	<b>Bank Loan</b>	: Rs.0.40 cr	<b>Beneficiary Contribution</b>	: Rs.0.10 cr	<ul style="list-style-type: none"> <li>➤ An amount of Rs.1.00 crore with bank loan of Rs.0.40 crores and a physical target of 67 Societies/ Groups is projected for the financial year 2009-10 through A.P.Nayee Brahmins Co-Op.Societies Federation Ltd.</li> <li>➤ Banks to finance the schemes,</li> </ul> <p style="text-align: right;"><b>(Action : All Banks)</b></p>
<b>Total Projection</b>	: Rs.1.00 cr									
<b>Subsidy</b>	: Rs.0.50 cr									
<b>Bank Loan</b>	: Rs.0.40 cr									
<b>Beneficiary Contribution</b>	: Rs.0.10 cr									
<b>55</b>	<b>Schemes to Washermen</b> <table border="1" style="margin-left: 20px;"> <tr> <td><b>Total Projection</b></td> <td>: Rs.1.00 cr</td> </tr> <tr> <td><b>Subsidy</b></td> <td>: Rs.0.50 cr</td> </tr> <tr> <td><b>Bank Loan</b></td> <td>: Rs.0.40 cr</td> </tr> <tr> <td><b>Beneficiary Contribution</b></td> <td>: Rs.0.10 cr</td> </tr> </table>	<b>Total Projection</b>	: Rs.1.00 cr	<b>Subsidy</b>	: Rs.0.50 cr	<b>Bank Loan</b>	: Rs.0.40 cr	<b>Beneficiary Contribution</b>	: Rs.0.10 cr	<ul style="list-style-type: none"> <li>➤ An amount of Rs.1.00 crore with bank loan of Rs.0.40 crores and a physical target of 67 Societies/ Groups is projected for the financial year 2009-10 through A.P.Washermen Co-Operative Societies Federation Ltd.</li> <li>➤ Banks to finance the schemes.</li> </ul> <p style="text-align: right;"><b>(Action : All Banks)</b></p>
<b>Total Projection</b>	: Rs.1.00 cr									
<b>Subsidy</b>	: Rs.0.50 cr									
<b>Bank Loan</b>	: Rs.0.40 cr									
<b>Beneficiary Contribution</b>	: Rs.0.10 cr									