

# **Minutes of 170<sup>th</sup> Meeting of SLBC of Andhra Pradesh**

**Date : 12.05.2010**

**Venue: Jubilee Hall, Public Gardens  
Hyderabad**

**STATE LEVEL BANKER'S COMMITTEE OF A.P**

**CONVENOR::  ANDHRA BANK**

**H O, Andhra Bank, Dr. Pattabhi Bhavan, Saifabad, Hyderabad-500 004**

**Phone : 040-2323 1392(D) 2325 2000 Extn :2375, 2387**

**Fax : 2323 2482 Email :slbc@andhrabank.co.in**

**170th Meeting of the SLBC of Andhra Pradesh** was conducted on 12.05.2010 at Jubilee Hall, Public Gardens, Hyderabad at 4.30 p.m.

Shri Y Prasad, Convenor, SLBC of Andhra Pradesh welcomed Honorable Chief Minister of Andhra Pradesh, Dr K Rosaiah, Honorable Ministers, respected Chief Secretary, Principal Secretaries of Finance, Agriculture and Rural Development Departments, Sri A S Rao, Regional Director of RBI, and colleagues from Banking fraternity, Government officials, the members of Print & Electronic Media the and other Ladies and Gentlemen on behalf of SLBC of Andhra Pradesh to the 170th Meeting of SLBC.

Shri R S Reddy, Chairman & Managing Director, Andhra Bank & President, SLBC of Andhra Pradesh, in his presidential address extended a warm and hearty welcome to all and informed that Bankers are the partners in economic development of the State and are happy to associate with the State government under the able leadership of Hon'ble Chief Minister. On behalf of SLBC the President, SLBC acknowledged the efforts and support of RBI, NABARD, SIDBI all the Banks, Government Departments and Development Agencies and appealed to continue their cooperation in future.

Sri R S Reddy, President, SLBC of AP placed before the house, the highlights of the performance of the Banks in Andhra Pradesh as at the end of March, 2010 as detailed below :

- The **CD Ratio** of the State stood at **109.80%** and is one of the highest in the country. The CD Ratio of all the Banks is above 60% and signifies the commitment of the Bankers in the State in complementing the developmental objectives envisaged by the Government.
- As at the end of March, 2010 Deposits are Rs.2,45,686 crores with incremental net increase of Rs.39,787 crores over last year, Advances are at Rs.2,69,760 crores with net increase of Rs.59,466 crores. The incremental CD ratio also stands at 149.46% which shows aggressive lending in the state.
- **Priority Sector Advances are Rs.1,26,515 crores constituting 46.90%** of advances of which **Agricultural Advances are Rs.68,658 crores** constituting 25.45% of total advances. The net increase in agricultural advances during the year is Rs.17,171 crores.
- Against the disbursement target of Rs.55,000 crores, banks could extend finance of Rs.56,961 crores recording an achievement of 102.56%, surpassing the target under **Crop Loans and Agricultural Term Loans achieving 105.72%** and 141.42% respectively. The achievement under SSI sector segment is 89.35% and under other priority sector is 81.33% both of which require special attention of bankers to ensure achievement of targets under these sectors also during 2010-11.
- Lending during Kharif 2009 was encouraging and Banks could surpass their tasks but due to prolonged drought, irregular monsoon and flash floods in certain areas there was adverse impact on Rabi lending. However, this was overcome during the later part of the year and against the targeted lending of Rs.32,500 crore banks could lend Rs.37,573 crores by 31.03.2010. Banks have taken series of steps to help the distressed farmers and the outstanding credit under Agricultural credit has surpassed Rs.68,658 crore which is the highest in the country covering over one crore farmers in the State with Bank credit.
- To weed out **fake Pattadar Pass Books**, Revenue Department was requested to implement the decision of handing over the soft copy of village wise records to Banks for verification of the ownership and to facilitate hassle free lending by Banks in the ensuing Kharif season.
- Government was requested to speed up considering certification of **tenant farmers** to facilitate easy access to credit as the khariff season has already set in.

- Under **SHG, Bank Linkage Programme** our State is leading in the country and the outstanding finance touched Rs.11,764 crore. Banks were requested to implement financing the **CMSA** (Community Managed Sustainable Agriculture) project through SHGs in selected villages, where they practice Non-Pesticide Management (NPM) of crops.
- Banks were requested to put up claims for interest subsidy under the **ISHUP** scheme and Government was requested to extend cooperation in recovering the loans extended under Rajiv Gruha Kalpa and VANBAY schemes.
- **Financial Inclusion** : To meet the banking requirements of the public in 109 unbanked mandals, Banks were requested to promote alternative delivery channels utilising the services of Business Correspondents / Business Facilitators and also to open bank branches. Banks were also requested to submit their Board approved plans with regard to providing banking services in the villages with population of over 2000 to meet the challenge before 31.03.2011. All Lead Banks and the major banks were also requested to open the FLCCs in all the Districts immediately.
- With regard to sickness of the units under the **MSME** sector, Banks were requested to sensitise the Field level functionaries to address the problem in the early stages and see that required measures are promptly implemented including government assistance.
- Banks lent Rs.5,385 crores under **Educational Loans** but the major concern is about the number of complaints being received by RBI with regard to insistence of security even for very small loans. Bankers were requested to look into this aspect and sensitise the field level functionaries not to insist on collateral security for the loans up to Rs.4.00 lakhs.
- **AP State Credit Plan 2010-11** under Priority sector is proposed to be at Rs.65,763 crores and expressed confidence in surpassing the set targets.
- Banks were requested to **review the Lead Bank Scheme** keeping in view the past experience to suit the present scenario and appealed to the Controllers of Lead Banks to provide required infrastructure to the LDMs to enable them to carry out their commitments and responsibilities effectively.
- The rising trend of overdues under various **Govt. Sponsored Schemes** was a matter of concern and there is need to counter this trend with effective campaign to maintain the health of financial system. Bankers were requested to avail the initiative like CBRM (Community Based Recovery Mechanism) of SERP and modalities suggested by Housing Corporation.

Sri R S Reddy, President, SLBC of AP once again reiterated that SLBC of AP is maintaining enviable track record of maintaining its unique position in the country by tackling majority of issues concerning Banks and Government and could achieve prime position in the country due to the active involvement and support extended by all the Banks, Government Departments and Political Administration.

**Dr K Rosaiah, Hon'ble Chief Minister of Andhra Pradesh launched the Annual State Credit Plan for the year 2010-11.**

Hon'ble Chief Minister of Andhra Pradesh Dr K Rosaiah informed that he was happy to participate in this meeting of SLBC specially convened to launch the Annual State Credit Plan for the year 2010-11 and conveyed appreciation for the good work being done by all the banks operating in the State in the implementation of the developmental programmes promoted by the Government, special mention was made to Andhra Bank, the Convenor of SLBC for the excellent leadership in steering the activities of the SLBC. Hon'ble Chief Minister in his key note address stated that –

- The **achievement of Credit Plan targets** has always been more than 100% and for the present year also the achievement has been 102.50%.
- The Annual Credit Plan outlay has gone up many fold from a mere Rs.20,000 crores in 2003-04 to Rs.65,760 crores by 2010-11.
- The **Credit Deposit Ratio** for the State has been more than 100% for the past 2 years and stands at 109.80% as on 31.03.2010.
- **Priority Sector Advances** stood at Rs.126,515 crores constituting 46.90% of total advances.
- **Agricultural advances** were Rs.68,658 crores registering a growth of 169% during the past 5 years.
- Andhra Pradesh occupies **number ONE** position in the country in lending to **Agriculture** sector.
- Rs.24,845 crores were disbursed towards **Crop Loans** for Kharif and Rabi seasons and the achievement was 105.7% . Lendings exceeded the targets, though the last crop year, was a testing period both for the farmers and the Government as also to the banks since two calamities first a severe drought followed by unprecedented massive floods have shaken the whole state.
- Only 30% Conversion of crop loans was done. Convenor SLBC was requested to initiate immediate steps to ensure that affected farmer's loans were rescheduled on priority and this aspect would be reviewed by the Agriculture Department after one month during the last week of June, 2010.
- **Financing tenant farmers** through JLGs has not really taken off and field level problems still persist and there is urgent need to resolve this issue by forming a Sub-Committee with the representatives of SLBC, NABARD, Agriculture Department and 2 / 3 banks could discuss and find out a workable solution for this issue before Kharif lending commences.
- Huge gap is seen for the first time in **SHG lending**, reasons should be analysed and suitable corrective steps be taken in order to achieve the set target of 11,755 crores for the year 2010-11.
- New initiative of **Community Managed Sustainable Agriculture (CMSA)** has to be made successful and constant review is to be undertaken by SERP.
- The achievement of targets under **IKP Urban (MEPMA)** has been 104% and per group credit has gone upto Rs.1.16 lakhs.
- Both SERP and MEPMA have to ensure that preference is given to disabled persons in the formation of groups as well as in bank linkages. These institutions should focus on recoveries since there appears to be some slippage in maintaining 97% recovery which was maintained in the past.
- The sanctions under the **ISHUP scheme** launched by Govt. of India for providing Housing to the urban poor are meager and the Controllers of Banks may issue necessary directions to their branches to ensure that the sanctioned loans are fully released and the interest subsidy benefit extended to the beneficiaries.
- Recent guidelines issued by Reserve Bank of India that collateral free loans are to be extended up to Rs.10 lakhs **to MSME sector**. Controllers of the Banks should take up with their branches to ensure compliance of RBI guidelines and see that the needs of the MSME sector are adequately met.
- The performance under ACP 2009-10 is impressive with an achievement of 102.56%. However, certain schemes like BC Welfare Finance Corporation, TRICOR, Sericulture and APMIP did not get the coverage which they deserve, steps should be taken to ensure that the targets under these sectors be invariably achieved under the current year credit plan by monitoring the position constantly.
- With regard to the **Financial Inclusion**, Banks should expedite their plans to achieve the task of providing banking facilities to all the villages having population of over 2000 to meet the dead line 31.03.2011, by setting quarterly targets. The business Model

adopted should provide minimum credit needs, insurance and other banking services also instead of limiting to opening of only no-frills' accounts.

- Before concluding Hon'ble Chief Minister reiterated the commitment of the Government to continue all the welfare schemes benefiting SC/ST/BC/Minority Communities and also women and requested the Bankers and the Government Departments to work in tandem in order to achieve the goals by March, 2011.

Sri N Raghuvveera Reddy, Hon'ble Minister for Agriculture, Govt. of AP stated that the year 2009-10 has brought lot of problems, drought and heavy rains in spite of the same Banks could not only achieve the target of Rs.32,500 crores but also exceeded the goals under Agriculture Credit. Hon'ble Chief Minister has congratulated the Bankers on behalf of the farmers' community. Hon'ble Minister however expressed that –

- Coordination should be there between the Rural Development Officers, Adarsha Rythus & the Bankers
- For the year 2004-05 the lending to agricultural sector was Rs.9,000 crores and in the present year it is Rs.37,000 crores which is a great achievement
- Bankers were requested to concentrate mainly on
  - 1) Rescheduling of loans as the borrowers were unable to repay the loans due to either drought or heavy rains and work out an action plan by taking the support of the Agriculture Department, overcome the apprehensions and see that all loans are rescheduled before the ensuing Khariff season.
  - 2) Nextly, to ensure coverage of 100% crop insurance, Bankers in the State have lent to about 1.20 crore farmers and all of them should be covered under crop insurance as the premium is meager. Banks and Agriculture Department should ensure that 100% farmers are given crop insurance cover. In India, only the State of AP is encouraging farmers to take insurance and quoted the example of Guntur Mirchi Weather Based Crop Insurance Scheme which was successful. Take up these success stories and implement for cotton crop also. At least two or three Districts such as Adilabad and Khammam should be covered under cotton crop insurance on priority basis.
  - 3) Tenant Farmers are the most needy people who require institutional credit.
  - 4) Non Loanee Farmers should be covered for which they require assistance from Banks and the Government
  - 5) Scales of Finance – Bankers were requested to follow the scales of finance without any deviation.
- Hon'ble Minister stated that as a farmer himself, he was proud that the Credit Plan 2010-11 envisages a lion share of Rs.41000 crores to Agriculture Sector
- Bankers were requested to take the help from the Government Departments such as Agriculture, Horticulture, Sericulture, Animal Husbandry, Marketing, Panchayat raj, Fisheries, know the facts and coordinate with each other to help the rural population especially the farming community.
- Hon'ble Minister requested the Bankers to work hard for a few days say 20 days and help the farmers to spend 360 days peaceful life. This year the forecast is that the State would have good rains and naturally the recovery would also be good. Bankers were requested to make use of this opportunity to participate in Rythu Chaitanya Yatras and access the field problems.

Sri A S Rao, Regional Director, Reserve Bank of India said that this was his first SLBC Meeting after he took charge as Regional Director of RBI, Hyderabad. Andhra Pradesh state has been in the forefront in many respects. Few examples are the signing of MOU regarding cooperative banks, enacting depositor legislation. The Government is very proactive. From the data furnished, it is evident that the performance of SLBC has been excellent. THE CD ratio and priority sector lending has been much higher than the required level. In financial inclusion

aspects, it has created records – 4 FLCCs were opened, excepting one all districts have RSETIs, 10 districts achieved 100% Financial Inclusion.

Sri A S Rao, Regional Director, RBI observed that there is need to focus on the following areas.

- 12 Districts are yet to be achieved 100% financial inclusion, no credit facilities were reportedly provided, in districts where 100% financial inclusion reported, RBI studies revealed lesser percentages which needs immediate redressal measures. Some lead banks are yet to open FLCCs .
- Banks are urged to scale up their performance and achieve the target across the state both in letter and spirit. Achievement in financial inclusion will become a key performance assessment measure for banks.
- RBI on its part has been implementing wide ranging financial sector reforms to improve financial intermediation and maintain financial stability. It will continue to vigorously pursue the financial inclusion agenda.

Some of the recent measures RBI has taken are –

- i) Creation of separate category of NBFCs i.e., Infrastructure Finance Companies for enhanced financing of infra projects including water supply/irrigation projects, agro processing projects, storage projects for agro products etc., with increased lending limits.
- ii) Mandating banks not to insist on collateral for loans upto Rs.10 lacs under Credit Guarantee Trust Fund
- iii) Several measures for increased credit flow to MSME sector recommended by a high level task force.
- iv) Study regarding usage of Rural Cooperative Credit Structure in financial inclusion, PACs, FSS, LAMPS etc.
- v) Various recommendations of the High Powered Committee on Lead Bank Scheme.
- vi) Permitting engaging of individuals, including those operating common service centres (CSCs) as Business correspondents.
- vii) Constituting a Working Group to review the pros and cons of inclusion of bank lending to micro finance institutions (MFIs) under priority Sector lending.

Sri A S Rao, RD, RBI stated that their future agenda comprises, inter-alia –

- a) Financial Inclusion Plan for banks : Commercial Banks both in public and private sectors were advised to prepare road map to provide banking services in every village having population of over 2000 to increase banking penetration and financial inclusion. The RBI will discuss FIPs with individual banks and monitor their implementation.
- b) Reserve Bank working on three year financial inclusion plan – RBI aims to connect every Indian to the country's banking system and financial services such as insurance etc. RBI is currently working on a three year financial inclusion plan and is in discussion with each bank as to how to take the plan forward.
- c) The RBI and the Union Government are also working in tandem to make banks push the agenda on inclusive growth, both in numbers and spirit. The finance ministry has asked public sector banks to list their achievements, targets for financial inclusion and provisional statement of intents (SOIs) for 2010-11. RBI has called for board approved plans for financial inclusion.
- d) There are however, a few issues which are given below :  
Education and MSME Loans: In terms of RPCD circular PLNFS.BC. No.83/06.12.05/2000-01 dated April 28,2001 regarding Educational Loan Scheme no security may be insisted for

loans upto Rs.4 lacs. RBI has been receiving representations from various quarters that collateral is being demanded even for loans below the limit. Similarly, some cases were reported that even for loans upto Rs.5.00 lacs for MSME, where collateral should not be insisted, banks are doing so. All banks are advised to issue suitable instructions to their Branches.

Routing of Government payments through bank accounts – A study conducted in certain districts of the State revealed that there are still delays in getting NREGA payment by beneficiaries and incidents of wrong payments are taking place. Understaffing of bank branches is also reported to be impacting the effectiveness of the scheme. There is a need on the part of the banks to address these issues.

Financial Curriculum in Schools : Dy.Governor, Dr K C Chakrabarthy suggested inclusion of Financial Education in the school curriculum for classes V, VII, and IX in AP in order to create awareness about financial issues in young minds at early age. State Government is accordingly requested to implement the proposal to include such aspects in the school curricula.

- Sri A S Rao in his concluding remarks congratulated the SLBC of Andhra Pradesh for surpassing the national level targets with huge margin and complemented the State Government for all the assistance in elimination of fake Pattadar Pass Books.

Smt Renu Challu, Managing Director, State Bank of Hyderabad stated that she had great pleasure to advise the gathering that State Bank of Hyderabad has achieved to catch more services to a larger sector, by opening 115 branches in Andhra Pradesh last year, priority sector advances at 46.58% with aggregate of 20% growth rate. SBH could catch 73.61% affected agricultural segment and the other sector focused on SHG groups, Collateral free loans to CGTMSE 4300 units with Rs.580 crores this year and the Bank is doing more and more thereby to achieve Rs.804 crores during the current year. Focus on House Loans to 62057 units amounting to Rs.1,525 crores, tie-up with National Housing Bank, 36.93% loans to women. A Women Cell is opened in their Head Office. Finally madam reiterated that their Bank would not insist on collateral security for Educational Loans, would achieve 100% Financial Inclusion, would strongly focus on registering 16 lakh Smart Card beneficiaries for government benefit schemes.

Sri Shiv Kumar, Chief General Manger, State Bank of India informed that SBI is committed to development of Andhra Pradesh with a net work of 1090 branches covering Rural and Semi urban areas. SBI was privileged to have highest number of branches in the State with wide expansion. State Bank of India opened 105 new branches last year and the total number of branches is 1090 which is the largest in number in Andhra Pradesh. On a nutshell, happy to announce that SBI was planning to open another 109 branches during the current financial year of which 21 new branches are going to be opened by them in Rural and Semi-Urban areas. Sri Shiv Kumar further informed that their Bank crossed all the targets-

- Achieved lending to Priority Sector ranging from 54% to 64.85% against 40%,
- Agricultural Advances ranging 28% to 30.60% against 18%,
- Housing loans disbursement of Rs.6,948 crores which contributed to 35%
- Education loans share 15%
- Total Advances 19%
- SBI has 20% share in the total priority sector advances in the State
- CD Ratio at 111% which is the highest in the State.
- SBI is highest in CGTMSE by sanctioning loans to 1405 entrepreneurs to the tune of Rs.66 crores.

- Reschedulement of agricultural advances
- Credit Linked 1,36,053 SHG groups with a financial assistance of Rs.1,670 crores
- Extending concessionary rate of interest loans to minor irrigation, poultry, fisheries and cold storage units to boost the agrieconomy.
- Disbursement of Educational loans without insisting on collateral security

Sri Shiv Kumar, CGM, SBI once again reiterated that SBI will continue to take active part in the development of the State. To share the concerns of Chief Minister and Minister for Agriculture, SBI has already instructed their branches to reschedule the loans in drought and flood affected areas.

Thereupon, Sri Y Prasad, Convenor, SLBC of AP has taken up items for discussion.

Smt Rachel Chatterjee, IAS, Special Chief Secretary to Government, Agriculture Department remarked that during the current year full scale of finance is to be extended with 20% extra as towards consumption needs. As per the Annual Credit Plan 2010-11, Banks would cover 20 lakh new farmers but as per the targets of Agricultural Department, 330 new farmers per branch should be extended finance, Banks were requested to cover all the farmers. With regard to Tenant Farmers as already discussed by Hon'ble Chief Minister, Banks were requested to ensure that maximum number of tenant farmers are provided loans. From the statistics available in the Agriculture Department, financing through JLG groups has not really taken off and out of about 54000, only 1000 were sanctioned loans. Madam requested that as per the suggestion of Hon'ble Chief Minister, Sub-Committees to be formed urgently so that these problems can be addressed urgently.

With regard to reschedulement of loans, as per the figures collected from the Joint Directors, 4416 bank branches lists, crop loans rescheduled were only in 1909 branches. No single reschedulement was done in 2507 branches, list of District wise, Branch wise information is available in the Agriculture Department. Banks were requested to collect the information and reschedule the loans.

Smt Rachel Chatterjee has recalled that collateral security free loans to farmers were limited to Rs.50,000/- quite a long time ago, may be more than a decade and requested the RBI to enhance the limit to Rs.1.00 lakh, to ensure that the farmers do not approach money lenders for finance. With this Madam wished all success and hoped that during the year 2010 - 11 the targets will definitely be achieved by all Banks.

In reply to the above suggestion, Sri Y Prasad, Convenor informed that a reference was already made to RBI for collateral free loans to farmers upto Rs.1.00 lakh.

Responding to the above, Sri Tandon, General Manager, RPCD, RBI informed to the house that the matter was referred to Central Office, RBI and the position shall be appraised soon.

The Executive Director of Andhra Bank, referring to their letter Dt.26.04.2010 has requested for extension of time upto June,2011, with regard to incentive on Smart Cards being issued by Banks. Responding to the same Sri Tandon, GM has informed that the matter was referred to their Head Office and the position will be appraised soon.

Sri N K Prasad, IAS, Managing Director, Housing Corporation mentioned that the ISHUP was a Centrally Sponsored Scheme and Banks should come forward to make proposals and seek subsidy. It was observed that out of 56,000 applications received, 28745 sanctions were given, 8012 disbursements were made but claims received were only 2721. All Banks were requested to



put up claim of subsidy to NHB & HUDCO. Central Government is very keen on implementation of the ISHUP Scheme and Banks were requested to actively take up this scheme and claim subsidy.

Individual accounts are not being opened by Banks under the Indiramma Housing and Banks were requested to see that the information was available in the website about the list of beneficiaries who do not have a bank account. Banks were requested to take up this issue and see that the benefit is received by the beneficiaries.

In reply to the above suggestion, Sri Y Prasad, Convenor assured that a special Steering Committee Meeting would be arranged to take up this issue very soon.

Sri D Rajasekhar, IAS, CEO, SERP informed that out of Rs.9000 crores only Rs.6,500 crores was achieved under this scheme. This was a commendable job and hope that during the year also Banks would achieve the targets. CEO, SERP informed that this year a very scientific process has been followed and from the data base available, they have selected group-wise, SHG-wise taking into account I linkage, II Linkage, III linkage and arrived at Rs.7697 crore and felt that normal linkage is highly achievable. Each District-wise, Branch-wise, Month-wise data is also prepared and SERP has also prepared MCP (Micro Credit Plan) for the current year. SERP propose to approach bankers as per schedule and enter into an MOU, so that the MOU can be conveyed to the Branch Manager. CEO felt that the Branch Managers are not aware of the decisions taken and convergence arrived at state level.

CEO, SERP appreciated the efforts put in by Banks particularly Andhra Bank has taken a lead. He mentioned that the Executive Director of the Bank has taken lot of interest and visited the villages. Under the CMSA strategy of SERP Rs.4800 crores was approved under TFI Plus. CMSA is helping the poorest of the poor and encouraging usage of bio fertilizers, non usage of chemical fertilizers, multiple cropping, etc., which are all showing good results. CEO quoted that in a 1000 sq.ft. land a poor SC/ST beneficiary is able to earn Rs.5,000/- per month through out the year. In 4024 villages Banks have agreed to give I dose and II dose upto Rs.5 lakhs and for the III dose above Rs.10 lakhs. MCP will divide TFI and purchase of milch cattle, to capture both agriculture and consumption loans. These small farmers can earn an income of Rs.35,000/- to Rs.40,000/- through irrigation of land through CMSA, in case additional consumption loan is given for purchase of milch cattle, he can earn an income of Rs.10,000/- to Rs.15,000/-. The objective of the CMSA and the target set for Andhra Pradesh State is that each SHG member should earn a total income of Rs.1.00 lakh per year.

CEO, SERP requested that the Banks should take care of the lending to SHG and TFI plus, capacity building and SERP will take care of the recovery part. Recovery is maintained at 98% to 100%. CEO further requested the Bankers to –

- Ensure that the SHG members do not approach the MFIs.
- SHG members are forced to accept MFI due to the gap of one month to six months after repayment of the loan and fresh sanction. SHGs belonging to the poorest of the poor are approaching the MFIs for this reason.
- The feed back received shows that the Branch Managers are not allowing the SHG members to use their own savings of Rs.30,000/- to Rs.50,000/- available in their accounts and that the Banks are insisting that the amount be kept as FD towards security for loan. Branch Managers should be advised to allow the SHG members to withdraw this amount.
- Banks were requested to ensure that no deposits should be collected from SHGs.
- Even Insurance policies were collected, particularly SBI where groups are forced to take insurance policies and premium is deducted. Since Abhayastam is already covering 80 lakh beneficiaries, there is no need to insist on insurance and Bankers were requested not to force.

- Lastly about the interest rates charged on SHGs, capacity building recovery, to take the help of Bank Mitras available from every group
- The interest rates have gone up to 50% and this has cast additional burden on Pavala Vaddi scheme. SLBC was requested to take steps to reduce the interest rates.

Smt K Sunita, IAS, Managing Director, MEPMA thanked the Banks for their cooperation and mentioned that Bankers were forcing insurance policies when government insurance is available. For zero balance accounts where there is no income Banks are requested to take care. Madam thanked Indian Bank and Canara Bank who opened branches. As Sircilla model was successful, based on earlier experience for District one branch is selected for implementing similar model.

Dr.Md.Ilyas Rizvi, IFS, Managing Director, Minorities Welfare Corporation requested Bankers to open no frills account to Minorities communities. It was observed that when there are no transactions in the accounts for about 5/6 months, if the amount is not transferred the account becomes inoperative and the money is bouncing back, the restrictions should be removed and at least for one year the account should not be made inoperative.

Sri. Yathirajulu, Director, Handlooms Department stated that only 12% was achieved and lot needs to be done in this sector. Requested Banks to kindly implement loan waiver and reduce the interest being paid by the weavers. He requested for accepting their proposals for the year 2010 – 11.

Sri Govindalal Soni, LDM, Karimnagar proposed Vote of Thanks.

The detailed Action Points emerged in the Meeting are given below. The list of participants is enclosed separately.

No.	Agenda Discussed
1	Adoption of Minutes of 169 <sup>th</sup> SLBC Meeting held on 08.03.2010 Adoption of Minutes of the Steering Committee and Other meetings of the SLBC held after 169 <sup>th</sup> SLBC Meeting of AP Dt.08.03.2010
2	Banking Key Indicators as on 31.03.2010
3	Agriculture a. Credit Flow to Agriculture b. Kisan Credit Cards c. Coverage of Non – Loanee New Farmers and Tenant Farmers d. Reschedulement of Crop Loans e. Pattadar Pass Books f. Agriculture Debt Waiver & Relief Scheme – 2008
4	Financial Inclusion a. Providing Banking Services in villages of population over 2000 – Road Map & Status of implementation. b. Smart Card Project c. No Frills Accounts. d. Unbanked Mandals e. One Banked Mandals f. Financial Literacy and Credit Counselling Centres g. Rural Self Employment Training Institute ( RSETIs) h. The Lead Bank Scheme - High Level Committee Recommendations
5	Micro, Small and Medium Enterprises a. CGTMSE– Credit Guarantee Fund Trust for Micro and Small Enterprises b. KVIC – Interest Subvention Eligibility Certificate Scheme. c. Industry Associations & Federations d. Chakrabarthy Committee Recommendations to be implemented by Government and Banks
6	Financing under DRI
7	Housing Loans a. Housing Schemes – ISHUP b. Guidelines on 1% Interest Subvention on Housing Loans up to Rs. 10 lakhs c. Rajiv Gruha Kalpa Scheme d. Reverse Mortgage Loans
8	Educational Loans Collateral Free Loans
9	Minorities Communities Prime Minister’s 15 Point Programme
10	Loans to Weaker Section & Women
11	Government Sponsored Schemes

Item No. 01

1. House adopted the Minutes of 169<sup>th</sup> SLBC meeting held on 8<sup>th</sup> March, 2010
2. House adopted the Minutes of the following meetings :
  - 21<sup>st</sup> Steering Committee Meeting for the year 2009-10 held on 15<sup>th</sup> March, 2010
  - 1<sup>st</sup> Steering Committee Meeting for the year 2010-11 held on 20<sup>th</sup> April, 2010

Item No. 02

**BANKING AT A GLANCE IN ANDHRA PRADESH  
As on 31.03.2010**

Total Number of bank branches		
Rural - 2857	Semi Urban - 1941	7676
Urban - 1922	Metro - 956	

(Rs. In crores)

Total <b>Deposits</b> in the State	2,45,686
Total <b>Advances</b> in the State	2,69,760
Credit Deposit Ratio (60%)	109.80%

<b>Total Priority Sector Advances</b>	1,26,515
% of Priority Sector Advances to Net Bank Credit (RBI Norm 40%)	46.90%
<b>Outstanding Priority Sector Advances (Rs. In Crores)</b>	
Agricultural Advances	<b>68,658</b>
% of Agrl. Adv. to NBC (RBI norm 18%)	<b>(25.45%)</b>
Non Farm Sector (% to Net Banking Credit)	<b>22,868</b> <b>(8.48%)</b>
Other Priority Sector Advances (% to Net Banking Credit)	<b>34,989</b> <b>(12.97%)</b>
<b>Total Priority Sector Advances</b>	<b>1,26,515</b>
<b>Educational Loans</b>	<b>5,385</b>
<b>Housing Loans</b>	<b>21,961</b>
<b>SHGs</b>	<b>11,764</b>

Item no. 03

## AGRICULTURE

### a. Credit Flow to Agriculture

#### **Allowing eligible Scales of finance to the farmers**

Every year the District Level Technical Committees are finalizing Scales of Finance to be allowed by Banks while financing crop loans. All the Banks are expected to follow the same. Leverage was given to branch managers to finance over and above the scales of finance up to certain percentage by individual banks.

In addition to the eligible Scales of finance, in terms of guidelines under KCC scheme, banks are supposed to allow limit for consumption purposes and to meet other short term needs.

All the banks are requested to put up required mechanism in place to ensure that Scales of finance are adhered to by their branches and all the credit requirements of the farmers are met. It is also requested to ensure that Scales of finance is displayed at all the bank branches.

#### **Scales of Finance – Analysis in brief on Scales of Finance for 2010 – 11**

State Level Technical Committee meeting held on 28.01.2010 reviewed the decisions of District Level Technical Committee decision for Scales of Finance District-wise for both Kharif 2010 and Rabi 2010.

It is observed that some of the DLTCs have not fixed the Scales of Finance for Rabi 2010–11 though the crops are grown in that area during that period. Therefore, the SLTC has suggested that wherever the Scale of Finance for Rabi 2010–11 is not fixed, the Scale of Finance fixed for Kharif 2010 may be adopted in the areas where cultivation of such crops is being taken up.

The Committee felt that the Scales of Finance for the year 2010-11 fixed by the DLTCs of Medak, Hyderabad and Nizamabad are on higher side for almost all crops. In order to assess the Scales of Finance on realistic basis the DLTCs may hereafter forward the worksheet for each crop based on which Scales of Finance is fixed.

The SLTC has reviewed Scales of Finance fixed by DLTCs for each crop and approved the same and advised for modifications. A copy of resolution and District-wise Scales of Finance are enclosed for taking necessary action by DLTCs and all the controllers of banks.

#### **Action Points**

- ✚ All the banks are advised to adhere to the Scales of Finance as decided by SLTC / DLTC. All the Lead District Managers are advised to note the changes made by the SLTC for the crops and take necessary action.
- ✚ All the Banks are advised to give thrust for monitoring the branches to ensure that full eligible scales of finance is allowed to farmers.

	<ul style="list-style-type: none"> <li>✚ The visiting Executives may review this item during their visits to the branches.</li> <li>✚ Banks may ensure that Scales of finance are displayed at the branches in Telugu also.</li> <li>✚ All the banks are requested to communicate to all their branches to allow 20% more on the scales of finance as per the eligibility of the finance.</li> <li>✚ All the banks are requested to allow Consumption Loans as per the necessity.</li> <li>✚ All the Controlling Offices are requested to issue instructions to Field Staff to participate in all the Rythu Chaithanyathras.</li> <li>✚ Efforts are to be made to cover all the eligible farmers under crop insurance.</li> </ul> <p style="text-align: right;"><b>(Action: All Banks and LDMs)</b></p>	
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#### **b. Kisan Credit Cards**

*Wherever Banks are sanctioning Short Term Credit such as Agricultural Cash Credits or Crop Loans, Kisan Credit cards (KCCs) shall be encouraged to take advantage of the scheme benefits.*

##### **Action Points**

- ✚ All the Banks are requested to extend the facility of Kisan Credit Cards to all Agri. Cash Credit & Crop Loans

**( Action: All Banks )**

#### **c. Coverage of Non – Loanee Farmers and Tenant Farmers**

*It is proposed by the Agriculture Department, Government of Andhra Pradesh to cover at least 20 lakh New Non Loanee farmers, each rural and semi urban bank has to take up 330 New Non Loanee farmers by each branch, for agriculture finance.*

All the bank branches are already having 2500 to 3000 crop loans in each branch with little staff, and for implementing the scheme in true spirit, 100 New Non Loanee Farmers per bank branch may be sanctioned crop loans during Kharif and Rabi 2010, so that more than 60% of New Non Loanee Farmers can be covered during this financial year.

##### **Action Points:**

- ✚ All the Controllers of the Banks are requested to communicate to their branches for sanctioning of loans to 100 new farmers in each branch in Kharif & Rabi 2010 – 11.

**( Action: All Banks )**

As per advice of the Hon'ble Chief Minister, a Sub – Committee has formed to discuss the problems & suggestions for improvement in lending to the Tenant Farmers.

- |   |                              |
|---|------------------------------|
| 1. Commissioner of Agriculture                | - Convenor of the Committee. |
| 2. Chief Commissioner for Land Administration | - Member of the Committee    |
| 3. Convenor of SLBC of AP                     | - Member of the Committee.   |
| 4. Andhra Bank                                | - Member of the Committee    |
| 5. Indian Bank                                | - Member of the Committee    |
| 6. State Bank of Hyderabad                    | - Member of the Committee    |
| 7. State Bank of India                        | - Member of the Committee    |
| 8. Syndicate Bank                             | - Member of the Committee    |

Commissioner of Agriculture is requested to convene the meeting.

#### **Action Plan**

- ✚ All the banks are requested to send the data on reschedulement of loans as on 31<sup>st</sup> March, 2010 immediately and to enable the left over cases to be rescheduled before commencement of Kharif season.
- ✚ All Banks are requested to allow a minimum of 100 New Non Loanee Farmers in each bank branch during this financial year.
- ✚ All the banks are requested to communicate to their branches to finance maximum number of Tenant Farmers.

**( Action: All Banks )**

#### **d. Reschedulement of Crop Loans**

*The Reschedulement of Crop Loans could have been more in number, especially in the month of March, 2010 and the actual data might have not passed to respective departments*

#### **Action Plan**

- ✚ All the banks are requested to send the data on reschedulement of loans as on 31<sup>st</sup> March, 2010 immediately.

**( Action: All Banks )**



### e. Pattadar Pass Books

Banks faced problems with Fake Pattadar Pass Books. Banks have made all out efforts to recover and could succeed partly. However, Banks are yet to weed out, if any such cases still exist.

The Kharif 2010 lending has commenced and disbursements of crop loans will take place from the month of June, 2010 onwards.

Government of Andhra Pradesh, Agriculture Department is requested to coordinate with Banks for lending to genuine Pattadar Pass Book Holders.

#### Action Points

- ✚ MROs are requested to provide a soft 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.
- ✚ Government may consider to provide with the details of lands being cultivated by tenant farmers to the bank branches in service area.
- ✚ In the Pattadar passbooks, the total acreage should be written in both figures and words duly certified by revenue authorities..
- ✚ The sale transactions, division of land among family members should be recorded and updated. It is to be authenticated by revenue official.
- ✚ Steps are to be taken by Govt. to complete the process of issuing pattadar pass books in all the districts immediately.

**( Acton: Revenue Dept., Govt. of Andhra Pradesh )**

### f. Agriculture Debt Waiver & Relief Scheme – 2008

In the above scheme **63.41 lakh Farmers** were benefited against the total farmers of **100.72 lakhs** availed bank finance in the State.

The following are the recent guidelines from Ministry of Finance, Government of India and Reserve Bank of India.

1. As per RBI Circular Lr. No. D.No.PLFS.9197/05.04.02/2009-10 dated 04.03.2010 with regard to Agriculture Debt Waiver and Debt Relief Scheme, 2008 it has been reported that certain banks are treating the amount receivable from the Government of India under the above Scheme as `direct` finance to agriculture. It is clarified that, although the amount receivable from the Government of India forms part of its advances portfolio and can be treated as a performing asset as per the earlier circular it may not be classified as advances under priority sector.
2. As per Ministry of Finance, Government of India, New Delhi Letter No. F. No. 3/9/2008-AC dated 26<sup>th</sup> March, 2010 para graph no.5, no interest shall be paid by Government of


India to the lending institutions for the six month extension period of the scheme while reimbursing 25% amount to the lending institutions. "Banks may forward a separate claim in respect of "Debt Relief" cases that may be settled during the period January 1<sup>st</sup>, 2010 to June 30<sup>th</sup> 2010 (including the settled cases through the Grievances Redressal Mechanism operating from February 1, 2010 to July 31, 2010), duly certified by the Central Statutory Auditors, in the manner stated in RBI circular dated September 4, 2008 mentioned above. The latter may be clearly marked as "Additional Final Claims – Debt Relief – Not Eligible for Interest" and should reach the Finance Department, GoI this office latest by June 30, 2011.

3. Ministry of Finance, Government of India, New Delhi vide their letter No.F.No.3/9/ 2008/-AC dated 26<sup>th</sup> March 2010, communicated that – "Under the Agricultural Debt Waiver & Debt Relief Scheme (2008), farmers having more than two hectares of land were given time up to 31<sup>st</sup> December, 2009 to pay 75% of their overdues. In view of the recent drought in some States and the severe floods in some other parts of the country, it was proposed to extend this period by six month upto 30<sup>th</sup> June, 2010."

In the light of the above said announcement, Government has now decided to extend the period of payment of 75% overdue portion by the 'Other Farmers' under the 'One Time Settlement' Scheme under ADWDRS, 2008 for another six months i.e. from 01.01.2010 to 30.06.2010.

As per RBI RPCD Circular No.PLFS.BC.66/05.04.02/2009–10 dated 8<sup>th</sup> April, 2010 with regard to Agriculture Debt Waiver and Debt Relief Scheme, 2008 it is communicated that, in paragraph 2 f) of RBI RPCD C.No.PLFS.BC.24/ 05.04.02/2008–09 dated 4<sup>th</sup> Sept, 2008 "The Final Claims pertaining to Debt Relief arising till 31<sup>st</sup> December, 2009 (including the cases settled through the Grievances Redressal mechanism operating till 31<sup>st</sup> January, 2010) may be submitted by June 30<sup>th</sup> 2010 in the prescribed format duly certified by the Central Statutory Auditors, as stated in the said circular".

#### **Action Points**

-  All the Banks are requested to note the change and communicate the same to the branches.

**( Action: All Banks )**

Item no. 04

## Financial Inclusion

### **a. Providing Banking Services in villages of population over 2000 – Road Map & Status of implementation**

*Banks have been asked to prepare specific Board Approved Financial Inclusion Plans (FIPs) by March 2010 with a view to rolling them out over the next three years.*

*Each Bank should identify a Nodal Officer at the Zonal Office/Controlling Office exclusively for implementation and coordination of Financial Inclusion Plan.*

*As per the tentative data available about 6700 villages are to be covered under the Financial Inclusion. The Bank wise data and District wise data is enclosed.*

**Other Issues :**

*UBI has requested for re-allocation of the 158 villages in Prakasam, West Godavari, Visakhapatnam, Mahabubnagar districts to them as they are providing service through Branchless Banking model through BC model.*

**Action Points**

- + All the Controllers of Banks are requested to provide their plan of Action to be implemented in the State of AP to SLBC and also to LDMs of the respective districts.
- + Banks to extend necessary cooperation to LDMs in smooth functioning of Sub Committees constituted.
- + Banks to take steps to provide banking services in the allocated villages before March,2011
- + If any bank is not interested in the villages allocated, the same is to be immediately informed to LDM concerned to enable reallocation by the Sub Committee.
- + The basis for reallocation should be contiguity/ proximity of the branch – Lead bank responsibility – Already having BC, etc.
- + LDMs to submit Monthly report as per guidelines of RBI to SLBC.
- + All the Controllers of Banks for Andhra Pradesh is requested to send the Board approved Road Maps for Andhra Pradesh State to SLBC.
- + All the Lead Districts Managers are requested to send District Road Maps with the updates ( If changes are there )
- + With regard to Union Bank of India's request the matter may be discussed in the respective districts sub committees and can take a final decision, depending upon the local situation.

**( Action: All Controllers of Banks & LDMs & U B I )**

**b. Smart Card Project**

*The process of enrolment and issuance of cards for Social Security Pensions and MGNREGA wages, which is a time consuming process is in progress. The certainty of payment of wages through the card is depending on the assignment of job to the card holders, availability of card holder to receive the job and the permissions of Rural Development Department to release the payments through the vendor. This process may take a minimum period of six months to ensure that the enrollment and payment to all the pensioners is made. As such, the "Cards issued" will become "Cards Paid" over a period of time progressively.*

*In view of the above, Banks are of the opinion that there is a need for extension of time to ensure routing of Government benefit through all the cards that have been issued. Reserve Bank of India is requested to consider extension of time for claiming the incentive up to 30<sup>th</sup> June,2011.*

*Rural Development Department, Government of Andhra Pradesh is also paying service charges of 2% of the amount disbursed under the above said schemes.*

*Government of Andhra Pradesh, Rural Development Department is requested to increase the payment of service charges from Rs.2% to Rs.3% as the cost the transactions are increased.*

**Action Points:**

- ✚ RBI is requested to extend cut of date for claiming the incentive amount of Rs.50/- per new account opened under smart card up to 30<sup>th</sup> June, 2011
- ✚ State Government to consider for increase in the payment of service charges from 2% to 3%.

**(Action: Rural Dev. Dept. of Govt. of A.P., & RBI )**

**c. No Frills Accounts**

*In the following 12 districts the coverage of No Frills accounts is between 80% to 100%. All the Lead District Managers of these districts are requested to ensure that 100% opening of No Frills Accounts is achieved by the end of June, 2010 and inform the same to SLBC.*

**Action Points:**

- ✚ All the Lead District Managers of Adilabad, East Godavari, Guntur, Karimnagar, Khammam, Krishna, Mahabubnagar, Medak, Nalgonda, Visakhapatnam, Vizianagaram and West Godavari requested to complete the task before 30<sup>th</sup> June, 2010

**( Action: LDMs of above Districts & all Banks )**

**d. Unbanked Manadals**

*There are only three unbanked mandals which are yet to be covered by the banking services, viz., Chennaraopet Mandal - Warangal District, Veldurthy Mandal – Guntur District and Mahamutharam Mandal – Karimnagar District.*

**Action Points :**

- ✚ All the above banks are requested to establish the branches by the end of June, 2010.

**(Action: APGVB, SBI, CGGB, DGB and SBH)**

### e. One Banked Mandals

*All the above 109 Banked Mandals are likely to be covered under the BC model Banking for the population 2000 above.*

#### Action Points

- ✚ All the Banks are requested to take a note of the above mandals while opening BC Model Banking Outlets and priority to be given for opening of Branches.

**(Action : All Banks)**

### f. Financial Literacy cum Credit Counseling Centres

A Sub-Group committee to work out the modalities for establishment of `State Level Financial Literacy and Credit Counseling (FLCC) Centre was formed at State Bank of Hyderabad. The Sub-Committee recommended in addition to the guidelines of Reserve Bank of India that as the Lead Banks are responsible for opening District level FLCCs, similar arrangement is to be made at District Level also.

- The Trust/Society being formed at State level to cover District level FLCCs also.
- District Administration is to be requested to provide required space at District Head Quarters in one of the Government buildings.
- The Advisory Committee at District level can be separately constituted as per Reserve Bank of India guidelines.
- The expenditure can be shared equally by all the Banks operating in the particular district. Lead District Manager in the District concerned may coordinate for sharing expenses over and above the fund received from NABARD and Government of AP, if any.
- The overall monitoring will be done by the Committee which will be headed by Regional Director of RBI as per the Reserve Bank of India guidelines.

The Reserve Bank of India has formulated a Model scheme for Financial Literacy and Credit counseling Centers (FLCCs). The salient features of which are enclosed.

#### Action Points

- ✚ All the Lead Banks to ensure that FLCCs functions as per the model scheme given by Reserve Bank of India.
- ✚ All the Lead Banks are requested to take steps for opening FLCCs in all the districts by June, 2010.

**( Action: SBH, SBI, Indian Bank, Syndicate Bank & Andhra Bank and major Banks)**

### g. Rural Self Employment Training Institute (RSETIs):

*State Bank of Hyderabad informed that they are making arrangements to open one RSETI in Karimnagar by the end of May, 2010.*

#### Action Points

- ✚ State Bank of Hyderabad is requested to inform the date of opening of the institute

**( Action: SBH )**

### h. Lead Bank Scheme- Recommendations of High Level Committee

*The Committee has submitted its report and has recommended a series of steps for enhancing the scope of the Lead Bank Scheme measures to be taken for its strengthening and suggested a decentralized approach for facilitating financial inclusion. The Committee has suggested in the recommendations inter alia on SLBC and DCC machinery and LDM's office – Role and set up.*

*Banks are implementing the recommendations of the Lead Bank Scheme. Some Banks are in the process of implementing the remaining recommendations.*

#### Action Points

- ✚ All Lead District Managers are advised to identify academicians and researchers engaged in research and development studies and to invite them to DCC Meetings.
- ✚ All Lead District Managers are advised to arrange exposure visits for District Collectors, Block Development Officers, Bank Officials, SHG at various levels to leverage upon success stories
- ✚ All Lead District Managers are advised to take initiatives for familiarizing the Gram Panchayats and PRIs with preparation of bankable schemes.
- ✚ All Lead District Managers are advised to invite Banking Ombudsman (BO) for such meetings. Lead Banks to take steps for strengthening the Institution of LDMs.

**(Action All LDMs and Lead Banks)**

**Item No. 05****Micro Small & Medium Enterprises****a. CGTMSE - Credit Guarantee Fund Trust for Micro and Small Enterprises**

*The CGTMSE scheme coverage started picking up from the year 2007 – 08. The growth is progressive and reached the growth rate of encouraging.*

**Action Points**

- ✚ All the Banks are advised to take advantage of the scheme and implement in letter and spirit.
- ✚ All Banks are requested to send details of coverage upto Rs.5 lakhs, Rs.5 to Rs.25 lakhs and above Rs.25 lakhs, specifying the number and amount covered to have more clarity.

**(Action : All Banks)**

**b. KVIC - Interest Subsidy Eligibility Certificate Scheme**

*KVIC gives interest subsidy eligible certificates to the eligible institutions of KVIC. On the basis of the certificates, these institutions can approach banks for finance. The Institutions will pay 4% interest to Banks and the remaining interest will be borne by KVIC.*

**Action Points**

- ✚ All the Banks are advised to implement the scheme.

**(Action : All Banks)**

**c. Industry Associations and Federations**

A.P. Incipient Sick SSI Federation, Federation of Small & Medium Enterprises and ALEAP have suggested some measures for improvement in working conditions of the industrial units and rehabilitation of small scale sick industries. Some of the suggestions are focused here :

1. The Federation requested that while preparing the state policy for industrial production of Andhra Pradesh, a study team may be made on the policy and its implementation in the state of Tamilnadu exclusively for rehabilitation of Small Scale sick industries.
2. Government of Andhra Pradesh informed that the draft on New Industrial Policy for the period 2010-15 was under preparation.

**Action Points**

- ✚ It was decided to include the suggestions given in this Forum to be included in the new policy.  
**(Action : All Banks)**

**d. Chakrabarthy Committee Recommendations to be implemented by Government & Banks:**

*Reserve Bank of India vide their circular RPCD. SME&NFS. BC.No.102/06.04.01/2008-09 dated 04.05.2009 has informed that they have constituted a working group under the chairmanship of Dr.KC Chakrabarthy, CMD, PNB with regard to rehabilitation of potentially viable sick units.*

The details are already communicated in our earlier correspondence and also in the 170<sup>th</sup> SLBC.

**Action Points**

- ✚ All the Banks are requested to inform the progress made to facilitate the SLBC to send a comprehensive reply to Reserve Bank of India.

**(Action : All Banks)**

Item No. 06

**Financing under DRI**

You are aware that as per the guidelines of Reserve bank of India "all the Banks should lend under DRI scheme minimum of 1% of their aggregate advances as at the end of previous year.

In order to ensure that the weaker sections in the rural areas derive the maximum benefit under the scheme and bulk of the advances are not pre-empted by urban/metropolitan areas, the banks operating the scheme will ensure that not less than 2/3 of their advances under this scheme are routed through their rural and semi urban branches. Correspondingly not more than 1/3 of their credit under the scheme may go from their urban and metropolitan branches.

To ensure that persons belonging to SCs and STs get their due share of benefits under the scheme, not less than 1/3 of bank credit under the scheme should flow to the eligible borrowers belonging to SCs and STs"

On recent review of the position of lending under the scheme in our State, it is only Rs.2,69,760 as against the outstanding credit is Rs.312.52 crores which is insignificant and needs improvement.



**Action Points**

- ✚ All the Banks are advised to give thrust for financing under DRI to achieve the target of 1% of aggregate advances as on 31.03.2010 by 31.03.2011.
- ✚ All the Branch Managers are to be sensitized by the Controlling authorities.
- ✚ LDMs to review the program in all DCC and JMLBC meetings.

**(Action: All Banks and LDMs)**

Item No. 07

## HOUSING

### a. Housing Schemes – ISHUP (Interest Subsidy for Housing the Urban Poor)

*Ministry of Housing and Urban Poverty Alleviation (MHUPA), Govt. of India has approved the ISHUP Scheme for implementation by public sector banks and other finance institutions. The scheme aims at enabling the EWS and LIG segments in the urban areas to construct or purchase houses by providing an interest subsidy of 5% on loan amount of Rs.1.00 lakh. The National Housing Bank (NHB) and HUDCO have been designated as the Nodal Agencies (NAs) for administration and release of the subsidy under the scheme to the lending institutions.*

**Action Points**

- ✚ All the LDMs to take up the implementation of the programme as regular agenda in the DCC meetings. LDMs to prepare Bankwise and branch wise progress for review.
- ✚ The Banks may avail the services of Service Providers appointed by APSHCL in each district for assisting the Banks in documentation of applications of eligible beneficiaries.
- ✚ Banks may prepare suitable publicity material for creating awareness in association with APSHCL.
- ✚ All the pending claims are to be submitted within a week's time.
- ✚ All the pending applications are to be cleared immediately and allocated target under the scheme is to be achieved
- ✚ The overdue under the housing schemes is to be informed to Project Directors of Housing for their assistance.
- ✚ Inform the names of the Nodal Officer of the Bank to APSHCL immediately, put up the Interest Subsidy Claims to APSHCL immediately, after obtaining certification from district officer of APSHCL.

**(Action: All Banks implementing ISHUP and LDMs)**

## b. Guidelines on 1% Interest Subvention on Housing Loans up to Rs.10 Lakhs

*As per the Government of India, Department of Financial Services letter dated 30.09.2009, interest subvention of 1% on all individual housing loans up to Rs.10 lakhs, provided the cost of the unit does not exceed Rs.20 lakhs.*

### Action Points

- ✚ All the Controlling Bankers are advised to go through the Interest Subvention Scheme and give necessary instructions to all their branches.

**( Action: All Banks )**

## c. Rajiv Gruhakalpa (RGK) and VAMBAY Housing Loans

Housing Loans under RGK, VAMBAY, INDIRAMMA – Recovery – Steps to be taken to enable beneficiaries become eligible for Incentive Scheme of the Government of AP:

G.O. Ms.No.42 Dt. 29.11.2009 says that Government bears some burden by way subsidizing the installment amount on the weaker section housing loans.

Government directed that in the event of the Equal Monthly Installment (EMI), exceeds Rs.500/- in Urban Houses and Rs.300/- in Rural Houses (both Principle and Interest put together), the additional amount will only be reimbursed by Government to those beneficiaries who have paid / are paying the EMIs promptly. The benefit shall be applicable for all the Weaker Section Housing Schemes in the State.

APSHCL Lr. No.7541/APSHCL/MGR(F)/08 Dt.12.10.2009, a communication sent to all Controllers of Banks on Implementation of G.O. Ms. No.42, Dt 29.11.2008 stated that –

1. The entire amount outstanding including interest as on cut off date i.e. 30.09.2009 shall be considered as principle and shall be rescheduled repayable in 84 EMIs starting from Nov., 2009
2. All the loans which are currently classified as NPA shall also be covered under the scheme, for availing the benefit.

As per extant guidelines of RBI, when NPA accounts are restructured, the accounts continue to be classified under NPA category till the account status turn out to be PA.

### Action Points

- ✚ All the Banks are requested to adopt the scheme as their respective Bank's guidelines.

**( Action : All Banks )**

## d. Reverse Mortgage Loans

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 as the owner and occupying the house throughout his/her lifetime without repayment or servicing of the loan. National Housing Bank issued the final operational guidelines for reverse mortgage loans (RMLs) on May 31, 2007. Many banks have already introduced RMLs. For tax purposes it have been clarified that reverse mortgage would not amount to "transfer" and stream of revenue received by the senior citizen would not be "income".

The detailed guidelines of the scheme are available in the background notes of 170th SLBC.

**Action Points:**

- ✚ All the Banks are requested to lend in this sector, as there is a large scope to finance for this sector.
- ✚ The full details of the scheme and other highlights are available in NHB website as the scheme is monitored by NHB at National Level.
- ✚ All the Banks are requested to inform quarterly, the lending progress under the scheme.

**(Action: All Banks )**

Item No. 08

## Educational Loans

### Collateral Free Loans – Educational Loan Scheme

In terms of Reserve Bank of India guidelines no collateral security should be insisted for loans upto Rs.4 lakhs.

Banks have been advised to issue suitable instructions to their Branches/Controlling Offices not to mandatorily obtain collateral security in the case of educational loans upto Rs.4 lakh.

**Action Points**

- ✚ All the Banks are advised to issue suitable instructions to their Branches/Controlling Offices not to mandatorily obtain collateral security in the case of educational loans upto Rs.4 lakh.

**(Action: All Banks)**

Item No. 09

## Minorities Communities

### Prime Minister's 15 Point Programme

Prime Minister's 15 point Programme for welfare of Minorities – Lending to Minority Communities under Priority Sector Lending.

As per the recent guidelines received from Ministry of Finance, Govt. of India vide their Lr.F.No.15(1).2010-CP dated 9<sup>th</sup> April, 2010, Public Sector Banks (PSBs) are advised to step up their Minority Community Lending (MCL) to 15% of their Priority Sector Lending (PSL) over 3 years i.e., by the end of 2009-10.

### Scholarship Accounts to Minority Communities:

In our State, minority students are receiving scholarships from Government like SC/ ST/ BC/ OBC students.

#### Action Points:

- ✦ State-wise targets for Minority Communities Lending and Priority Sector Lending for 2010-11 may be sent to the Ministry of Finance immediately.
- ✦ Action taken report also may be sent to the Ministry of Finance on priority basis.
- ✦ Attention of Banks is drawn to Reserve Bank of India guidelines with regard to Minorities already communicated in the earlier SLBC Meetings.
- ✦ **All the banks should attain the target of 15% advances to Minorities as per Government of India guidelines**
- ✦ All the Banks to open scholarships accounts of students of Minority Communities duly observing the guidelines as the lines of Scholarships Accounts of SC / ST / BC / OBC students.

**(Action: All Banks)**

Item No. 10

## Weaker Sections and Women

### Loans to Weaker Sections:

As per RBI norms 25% of their Priority Sector Lending (PSL) should be for loans to Weaker Sections.

### Loans of women borrowers

As per RBI norms 5% of net bank credit should be for loans to Weaker Sections.

**Action Points**

- ✚ All the Banks are requested to maintain the requirements stipulated by Reserve Bank of India.

**(Action: All Banks)****Loans to Scheduled Castes and Scheduled Tribes:**

Reference is drawn to instructions contained in RBI Master circular RPCD No:P.BC.08/09.09.01/2006-07 Dt. July 5, 2006 on flow of credit to Scheduled Castes and Scheduled Tribes.

**Action Points:**

- ✚ Holding of joint workshops with sponsoring agencies to identify activities.
- ✚ Resolve subsidy related issues and improve the average size of loans under central Government sponsored schemes.

**(Action : All Banks)**

**GOVERNMENT SPONSORED SCHEMES  
IN ANDHRA PRADESH**

**PROJECTIONS FOR 2010-11**

<b>ITEM</b>	<b>AMOUNT (Rs. in Crores)</b>
<b>Total Outlay</b>	<b>16,490.48</b>
<b>Bank Loan</b>	<b>15,090.63</b>
<b>Govt. Subsidy/Margin Money</b>	<b>1,399.85</b>

**PHYSICAL AND FINANCIAL OUTLAYS UNDER GOVT.SPON. SCHEMES IN AP FOR 2010-11**

S.No.	Scheme	Target (Rs.Crores)		
		Phy.Outlay(nos.)	Fin.outlay	Bank Loan
1.	Animal Husbandry Dept I).Induction of Milch Animals i) PMs Spl.Live Stock Package ii) CMs Spl.Live stock Package iii) RKVY II) Calf Induction Programme i) RKV-Mini Dairies Jeeva Kranthi Pathakam ii) Ram Lamb rearing iii) Sheep & Goat Rearing	22000 2390 11000 4400 - -	77.00 8.36 22.00 132.22 - -	44.00 4.78 11.00 132.22 - 3.00
2.	Fisheries-Credit Linked GSS	--	34.92	25.10
3.	Sericulture	24675	74.58	37.07
4.	APMIP		1088.47	313.17
	S.G.S.Y	-	-	-
5.	Self Help Groups/V Os		11775.98	11775.98
6.	MEPMA i) SHG-Disability Prg. ii) USEP under SJSRY iii) SHG Bank Linkage	9170 9000 123000	57.00 90.00 1600.00	57.00 90.00 1600.00
7.	Artisan Credit Cards Handloom Weaver Group Cluster appr under IHDS(1000Grpups) Group appr under IHDS(200 Groups)	12150 12700 10908 2042	121.50 127.00 109.08 20.42	- - - -
8.	A P B C Corporation i) Margin Money(Subsidy)Scheme ii) Rajiv Abhyudaya Yojana iii)A.P washer man Coop Societies iv)A.P Nayee Brahmins co-op societies v)A.P Vaddera Coop Societies	2500 2500 34 34 34	5.00 10.00 0.50 0.51 0.51	2.00 4.00 0.20 0.20 0.20
9.	A.P Christian Finance Corporation	667	14.00	10.60
10	A.P.Scheduled Caste Coop Fin. Corpon	21772	154.78	101.59
11	Minorities Corporation	1750	10.50	4.20
12	KVIC(PMEGP)	5320	280.75	216.92
13	Interest Subsidy Eligibility Certificate	-	10.40	10.40
14	APSHCL – Indiramma I, II & III	204081	612.00	612.00
15	APSTEP - Rajiv Yuva Sakthi	5000	50.00	35.00
	<b>Grand Total</b>	<b>487127</b>	<b>16490.48</b>	<b>15090.63</b>

**Target for 2010-11 :** Total Outlay :Rs: 16490.48 crores  
Bank Loan :Rs: 15090.63 crores  
Govt.Subsidy/Margin Money/Beni.contri Rs: 1399.85 crores

**ANIMAL HUSBANDRY DEPARTMENT:****Projected Targets 2010-11****(Rs. In crores)**

<b>Physical</b>	<b>Financial</b>
Units are grounded as per beneficiaries choice with in the Fin.Target	3.00

<b>Name of the Programme</b>	<b>Name of the Scheme</b>	<b>Financial Allocation</b>	<b>Physical Target</b>
<b>Jeeva Kranthi Padhakam</b>		<b>300</b>	<b>500 sheep&amp;goat units 11 Ram Lamb units</b>
<b>RKVY</b>	<b>a) Milch Animals b) Heifers</b>	<b>7700 2200</b>	<b>22000 11000</b>
<b>CMSpecial package Milch Animals</b>		<b>836.50</b>	<b>2390</b>
<b>Mini Dairy Units</b>		<b>2650</b>	<b>7200</b>

**Rastriya Krishi Vikas Yojana**

<b>Phy (No of Animals)</b>	<b>Financial</b>	
	<b>75% Interest Subsidy Scheme</b>	<b>Loan Component</b>
<b>7200</b>	<b>4.68</b>	<b>26.50</b>

**District Wise Budget Allocation for Jeeva Kranthi Padhakam**

<b>NSP</b>	<b>SCP</b>	<b>TSP</b>
<b>21642000</b>	<b>4310000</b>	<b>4048000</b>

- Govt.of Andhra Pradesh is implementing a scheme "Jeeva Kranthi Padhkam" to support the BPL families by supplying Breeding Rams, Ram Lamb rearing Units and Sheep and Goat Units, under Chief Minister's special Package to enhance the Economic status of the targeted families.

**Achievement for the year 2009-10****(Rs.in Crores)**

<b>Target</b>	<b>Applications Grounded</b>		<b>Subsidy released</b>	<b>Subsidy released</b>
	<b>phy</b>	<b>fin</b>		
<b>12.50</b>	<b>12561</b>	<b>239.41</b>	<b>12.5</b>	<b>5.549</b>



**Units grounded and utilization of funds under Jeeva kranthi Padhakam during the year  
2009-10**

UNITS GROUNDED	AMOUNT UTILISED	TOTAL
2656	55497900	41138550

**Total Number of Animals inducted in AP during the Year2009-10**

Buffaloes	Cows	Total
6719	5842	12561

**Total Number of Animals Inducted in AP during the year 2009-10**

Scheme	Buff	Cows	CB Heif	Buf Heif	Total
PM Package	6719	5842	-	-	12561
CM Package	4414	3318	59	848	8639
RKVY	7764	10810	16	1206	19796
SC Corporation	1046	857	-	-	1903
<b>Grand Total</b>	<b>19943</b>	<b>20827</b>	<b>75</b>	<b>2054</b>	<b>42899</b>

**FISHERIES DEPARTMENT**

**Projections for the year 2010-11**

**Credit Linked Govt.sponsored schemes projections for 2010-11**

(Rs. in Crores)

Financial			Credit Required
Beneficiary Component	Subsidy Component	Total	
25.10	9.82	34.92	25.10

**Details of Credit Plan**

- ✚ Nearly 70% of the total fish production comes from the inland fisheries sector, which comprises of reservoirs, tanks, and fish ponds.
- ✚ The special focus is on supply of fish seed in tanks and fish ponds.
- ✚ The fish marketing is the thrust area under which the construction of fish markets will be taken up.
- ✚ Banks are requested to provide funding for supply of fishery inputs which will benefit the traditional fishermen.

**Details of the scheme proposed for 2010-11**

- Inland Fisheries:** Construction of Fish ponds  
Fish seed stocking in tanks
- Marine Fisheries:** Motorization of traditional craft  
Supply of Fiber Re-in forced Plastic (FRP)
- Fish Marketing:** Supply of Ice Boxes

**SERICULTURE****Projections for the Year 2010-11**

(Rs. in Crores)

No of Units	Bank Loan requirement	Subsidy	Total Financial Outlay
<b>24675</b>	<b>37.076</b>	<b>37.497</b>	<b>74.58</b>

- It is proposed to finance 24,675 units during 2010-11. An amount of Rs.37.49 crores is projected with bank loan of Rs.37.07 crores with Total Financial Outlay of Rs.74.58 Crores.

**Andhra Pradesh Micro Irrigation Project (APMIP)****Annual Projections for the year 2010 - 11**

(Rs.Crores)

State Plan	Physical Target			Total Subsidy	Benef. Contribution / Credit requirement	Total Project Outlay
	Area	Total GOI	Total State Share			
	1	2	3	4	5	6
	22.50	301.89	473.40	775.29	313.17	1088.47

- ✚ Andhra Pradesh Micro Irrigation Project (APMIP) under this programme proposed to cover 22.50 lakh Hectares with financial outlay of Rs.1088.47 crores with subsidy amount of Rs.775.29 crores.

**Rural Development Department (SERP)****Projections for the year 2010-11**

(Rs. In crores)

S.NO	Particulars	Number	Amount
1	SHG bank linkage		7697.98
2.	TFI Plus		4078.00
	Total		<b>11775.98</b>

**STATEMENT OF THE SHG BANK LINKAGE ACTION PLAN FOR THE YEAR 2010-11**

(Rs.in crores)

No of Eligible SHGs for the FY 2010-11						Total	
1st Dose	Amount	11 nd Dose	Amount	111rd Dose	Amount	No of eligible SHGs	Amount
56673	336.61	166655	1809.47	199365	5550.69	423122	7697.98

The Annual Action plan in CMSA villages is prepared basing on an average 20 SHGs per village @Rs.5.00 lakhs per group.

**Mission for Elimination of Poverty in Municipal Areas****Projections for 2010-11 - Swarna Jayanthi Shahari Rozgar Yozana (SJSRY)**

( in crores)

S. No.	Item	Physical Target	Financial Target
1	SHG Bank Linkage	123000	1600
2	SHG Disability Programme	9170	57
3	USEP Programme under SJSRY	9000	90
	<b>TOTAL</b>	<b>141170</b>	<b>1747</b>

MEPMA is implementing the following credit linked schemes

1. SHG Bank Linkage - General /Normal
2. SHG Disability Programme - SHGs of persons with Disability
3. USEP Programme under SJSRY - With 25% back end subsidy and with Maximum unit cost of Rs.2.00 lacs.

Total Outlay of Rs.1747 Crores with Bank loan amount Rs.1747 Crores is projected for the year 2010-11 under IKP Scheme.

**IKP-URBAN (Urban Self Employment Programme 2010-11)**

Total target	Allocation of Funds	Physical Coverage			
		PWDs(10%)	Minorities(15%)	(16.5%SC)	ST(6.6%)
9000	2250	917	1367	1492	601

**SHG BANK LINKAGE BUDGET FOR 2010-11**

(Rs.in Crores)

Annual Target for 2010-11	TFI Target (25% of Annual Target)
1600.00	40.00

**DEPARTMENT OF HANDLOOMS AND TEXTILES**  
**ARTISAN CREDIT CARDS & HANDLOOM WEAVERS GROUPS**  
**Projections for the year 2010-11**

S.NO	Name of the Scheme	Physical (No.of Beneficiaries)	Financial (Rs.in Crores)
1	Artisan Credit Card Scheme	12150	121.50
2	Handloom Weaver Groups(1270 Groups)	12700	127.00
3	Cluster Approach under IHDS(1000 Groups)	10908	109.08
4	Group Approach under IHDS (200 Groups)	2042	20.42

**Performance for the year 2009-10**

**Status on issue of Artisan Credit Cards for the year 2009-10 (31.03.10) (Rs.crores)**

Scheme	Target	Finance (crores)	Appl. sponsored	Sanctioned	Appl. grounded up to 31.03.10		% of target
					No.of Cards	Amount	
Artisan Credit Cards	15000	37.50	12464	2.67			7.12%
					1617	2.67	

\*District wise details are enclosed

**Bankwise targets of Artisan Credit Cards as on 31.03.2010**

Scheme	Target	Finance (crores)	Appl.sponsored	Appl.sanctioned up to 31.03.2010		% of target
				No.of Cards	Amount	
Artisan Credit Cards	14925	35.97	12414			7.81%
				1767	2.80	

**Bank-wise targets of HANDLOOM WEAVERS GROUPS SCHEME as on 31.03.2010**

Scheme	Annual Target		Appl.sponsored	Appl.sanctioned up to 31.03.2010		Appl. grounded up to 31.03.2010	
	Groups	Amount		Groups	Amount	Groups	Amount
Handloom weavers	1600	32.00	951	201	2.28	201	2.28

**A.P. Backward Classes Co-op. Corpn. Ltd.**  
**Annual Credit Plan of Margin Money ( Subsidy ) Scheme for 2010 – 2011**  
**( Rs. In Crores )**

		Proportionate target based on the last year action plan				
B.C. Population based on the MPHS data	% of B. C. Population Based on the MPHS data	Subsidy @ 50% or Rs. 30,000	Bank Loan @ 40% or bal. unit cost	Beneficiaries Contribution @ 10%	Total Outlay	Physical Target
32951591	100%	2.50	2.00	0.50	5.00	2500

**Annual Credit Plan of Rajiv Abhyudaya Yojana ( Subsidy Scheme ) 2010 - 11**  
**( Rs. In Crores )**

		Proportionate target based on the last year action plan				
No. of Municipalities	B. C. Population & Percentage	Subsidy @ 50% or Rs. 30,000	Bank Loan @ 40% or balance unit cost	Beneficiaries Contribution @ 10%	Total Outlay	Physical Target
133	6097372 & 100%	5.00	4.00	100	10.00	2500

- AP Backward Classes Co-operative Finance Corpn. Ltd., Projected Annual Credit Plan of Rajiv Abhyudaya Yojana (Subsidy) Scheme with a Total Outlay of Rs.20.00 Crores, with a Physical Target of 10000 members. The Subsidy amount is 50% of loan amount or with a maximum of Rs.30,000/-, 10% Individual contribution and 40% or balance amount of the unit cost by the bank

**A.P.WASHERMEN COOPERATIVE SOCIETIES FEDERATION LTD.**  
**Annual Action Plan for "FINANCIAL ASSISTANCE SCHEME"**

**(Rs. in Lakhs)**

Population of Rajaka in Dist.wise	Phy . Target	Financial Target Unit Cost Rs.1.50 Lakhs			
		No of Society Groups	Subsidy (50%)	Bank Loan (40%)	Beneficiary Contri(10%)
1922903	34	25.00	20.40	5.10	50.50

**A.P. NAYEE BRAHMINS COOPERATIVE SOCIETIES FEDERATION LTD.****(Rs. in Lakhs)**

Population of Nayee Brahmins Dist .wise	Phy . Target	Financial Target Unit Cost Rs.1.50 Lakhs			
		No of Society/ Groups	Subsidy (50%)	Bank Loan (40%)	Beneficiary Contribution (10%)
655617	34	25.50	20.40	5.10	51.00

**ANDHRA PRADESH VADDERA COOPERATIVE SOCIETIES FEDERATION LTD.****(Rs. in Lakhs)**

No of Societies registered as on 31.03.2010	Phy . Target	Financial Target Unit Cost Rs.1.50 Lakhs			
		No of Societies to be covered	Subsidy (50%)	Bank Loan (40%)	Beneficiary Contribution (10%)
2094	34	25.50	20.40	5.10	51.00

**A.P.Scheduled Caste Co-operative Finance Corporation Limited****Action Plan for the year 2010-11****(Rs. in Crores)**

No of units	No of Beneficiaries	Total outlay	SCA& other subsidy	Bank Loan
21772	25526	154.78	53.19	101.59

**Bank Linked sponsored Schemes (Economic Support Schemes)****Progress of the Action Plan 2009-10 as on 31st March 2010****(Rs. In crores)**

Annual Targets		Sponsored Applications	Sanctioned		Grounded		%of target
Phy.Nos	Amount		Phy.Nos	Amount	Phy.Nos	Amount	
216524	182.50	138566	149832	253.08	132845	192.99	106%

**A.P.State Christian Finance Corporation Limited**  
**Bank Linked sponsored Schemes (Economic Support Schemes)**  
**Projections of Action plan 2010-11**

(Rs. In crores)

No. Of Beneficiaries	APSFC Share		Beneficiary contribution	Bank Loan	Total Outlay
	Phy	Fin			
<b>1181917</b>	<b>667</b>	<b>2.00</b>	<b>1.40</b>	<b>10.60</b>	<b>14.00</b>

- ✚ Under APSCFC Action plan 2010-11, Andhra Pradesh State Christian Finance Corporation projected, total outlay of Rs.14.00 crore to provide financial assistance to 667 eligible candidates.
- ✚ The APSCFC share would be Rs.2.00 crore at Rs.30000 subsidy per unit, Rs.1.4 is beneficiary contribution and the remaining RS.10.60 is Banks' finance as loan to the beneficiary. Each unit worked out at Rs.2.00 lakh.

**A.P.STATE MINORITIES FINANCE CORPORATION LTD.**

**Projections for 2010-11**

(Rs.in Crores)

Minority population	No of Units	Subsidy 50% (Rs.30000/per unit)	Benifi.contribution (10% Rs.6000 per unit)	Bank contribution (Rs.24000/- per unit)	Unit cost (100%)
0.82	1750	5.25	1.05	4.20	10.50

- ✚ The average unit cost considered is Rs.60000/- and subsidy Rs.30000/-
- ✚ The subsidy shall be 50% of the unit cost subject to a maximum limit of Rs.30000/-
- ✚ In case where the unit cost exceeds Rs.60000/-, the excess portion shall come as Bank finance because in no case subsidy from Corporation exceeds Rs.30000/-.

**KHADI AND VILLAGE INDUSTRIES COMMISSION ( KVIC )**

**Projections for 2010 – 2011 - Prime Ministers Employment Generation Programs**

(Rs.Crores)

	No. of Projects	Margin Money	Bank Credit	Employment
<b>KVIC, SO, Hyderabad</b>	1074	12.86	39.75	10740
<b>KVIC, DO, Vizag</b>	522	6.28	19.43	5220
<b>APKVIB</b>	1596	19.15	59.18	15960
<b>DIC Rural</b>	1064	12.77	39.45	10640
<b>DIC Urban</b>	1064	12.77	59.11	10640
<b>Total</b>	<b>5320</b>	<b>63.83</b>	<b>216.92</b>	<b>53200</b>

**Projections for Interest Subsidy Eligibility Certificate Scheme (ISES) of KVI for the year 2010-11**  
(Rs.in Crores)

ISES	Bank Finance
<b>All the Institutions in the State (List Enclosed)</b>	<b>10.40</b>

- Under the Action Plan 2010 – 2011, KVIC projected, 10.40 crores to various Institutions in the State of Andhra Pradesh and request to inform all Lead District Managers in the State.

**I S H U P**

**PROPOSED TARGETS FOR THE YEAR 2010-11 INDIRAMMA URBAN HOUSING PROGRAMME**

(Rs. in Crores)

Physical Targets	Financial Targets
No of Units	Amount
204081	Rs.612.00

**AP STATE HOUSING CORPORATION LIMITED**

**Projections for the year 2010-11**

Scheme	No. of Houses
Indiramma Phase - I Indiramma Phase - II Indiramma Phase - III	477663 Houses for all the Schemes

- Under this banks are extending Bridge Loan of Rs.20000/-per member of SHG under bank Linkage Programme to meet the margin requirements of housing scheme.

**COMMISSIONER OF YOUTH SERVICES AND MANAGING DIRECTOR A.P.S.T.E.P  
(CYS&MDAPSTEP)**

**Action Plan of Rajiv Yuva Shakthi Programme - 2010-11**

(Rs.in Crores)

Physical	Subsidy	Beneficiary Contribution	Bank Loan	Project Cost
50.00	10.00	5.00	35.00	50.00

- Commissioner Youth Services A.P.S.T.E.P has projected Rs.50.00 crores for the year 2010-11, out of which Bank Loan would be Rs.35.00 crores , Subsidy Rs.10 crores and the beneficiary contribution Rs.5.00 crores.



Action Points:

- All the government organizations are requested to send the applications to the respective bank branches in a phased manner from the month of June,2010.
- All the Bank's branches are requested to verify the applications and accord sanctions on monthly basis.
- All the government organizations are request to provide margin money or subsidy immediately on receipt of sanction letters from the respective bank branches so that the bank branches can disburse the same immediately.
- Government departments are requested to send Quarterly Progress reports to SLBC for their updation, review and necessary follow up.
- Banks are requested to send the monthly progress of achievement of Government Sponsored Schemes.

(Action: All Banks & All Government Departments)