



***Proceedings of 202nd Meeting of
STATE LEVEL BANKERS` COMMITTEE OF
ANDHRA PRADESH
(19th SLBC Meeting of Reorganized Andhra
Pradesh State)***

Date: 26.04.2018 - Time: 02.00 PM

**Venue: Grievance Hall, Karakatta,
Guntur District**

**STATELEVEL BANKERS` COMMITTEE OF ANDHRA PRADESH
CONVENOR  ANDHRA BANK**

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The 202nd Meeting of SLBC of Andhra Pradesh was conducted on 26.04.2018 at A.P. Secretariat, Velagapudi at 02.00 P.M.

Sri KSD Siva Vara Prasad, Circle General Manager & Convenor, SLBC has welcomed the participants to the 202nd SLBC meeting.

Sri N Chandrababu Naidu, Hon'ble Chief Minister of AP has attended the meeting as Chief Guest. The detailed list of participants is enclosed.

1.0 Sri N. Chandrababu Naidu, Hon'ble Chief Minister of A.P highlighted on the following aspects:

- ✓ Analyze periodical GSDP contribution versus Advances growth.
- ✓ Address the currency shortage problem.
- ✓ Government is planning to reduce cost of cultivation of crops.
- ✓ Government is promoting farm mechanization.
- ✓ Government is working on pest control.
- ✓ Government is providing water, Micro nutrients and all inputs to farmers except finance.
- ✓ Bankers should provide hand holding to all eligible farmers and shall help to double the farmers' income.
- ✓ Banks should extend finance for various economic activities.
- ✓ Banks to provide timely credit for better utilization.
- ✓ More focus / thrust should be given to Horticulture, Livestock, Agriculture and Fisheries sectors.
- ✓ Asset creation would lead to income generation as a result recovery will also be improved.
- ✓ Andhra Pradesh is becoming an Aquaculture hub.

(Action: all Banks, SLBC, LDMs & Govt. Departments)

2.0 Sri A K Rath, Executive Director, Andhra Bank & President, SLBC of AP highlighted on the following aspects:

- SLBC forum has always been instrumental in devising various schemes for the upliftment of the society with the ultimate aim of overall development of the state and continuously striving for amicable resolution of the issues. The active involvement of the Hon'ble Chief Minister and participating in every SLBC meeting has been the guiding force for this forum and grateful to him for devoting his precious time and offering his valuable suggestions and guidance.
- During the last SLBC meeting, the Hon'ble Chief Minister has suggested to constitute four Sub-committees on viz: Agriculture, Horticulture, Livestock & Aquaculture development, MSME, Government Sponsored Schemes & SHGs, Service sector & Industries and Digital transactions. Accordingly, the four Sub-committees have been constituted which met on 14.02.2018 and various issues, constraints hindering the implementation of the schemes in



the above sectors were discussed and the action points emerged in the meeting have been circulated among all stake holders for their implementation.

- Banks in the state have been financing Tenant farmers in the right earnest and the progress has been very encouraging with a coverage of 4,05,839 farmers and disbursement of Rs. 3,098.39 crores as on 31.03.2018. There has been regular review by Government, SLBC, RBI and NABARD in the matter and banks are being advised to extend finance to all eligible cultivators.
- During the last SLBC meeting the issue of low performance in implementation of Govt. sponsored schemes was discussed and it was decided that the banks will take proactive steps for completing the disbursements under the schemes by 11.01.2018 where in mega credit disbursement mela was conducted by the State Government at various places in the state.

Regular follow up by the Government and SLBC with the LDMs and the controllers of the state during the first fortnight of January 2018 has seen substantial progress but not to the expected level. The banks have to take proactive steps and issue suitable instructions to all their branches to implement the Government sponsored schemes in the right earnest and ensure that the targets allotted are invariably achieved during the current financial year.

In view of the low performance by the banks and issue being discussed in all SLBC meetings, RBI has convened a bankers meeting on 31.01.2018 to discuss the issues hampering the implementation of Govt. Sponsored schemes by the banks wherein various suggestions have emerged which were discussed in the recent meeting of bankers convened by SLBC. He requested the Government to address and resolve the issues raised by the banks in this regard for improving the performance of the banks under these schemes.

- A special campaign 'Gram SwarajAbhiyan' is being organized in 305 villages in our state out of a total of 16,850 villages in the country from 14.04.2018 to 05.05.2018 as per the directives of the Department of Financial services, MoF, GoI for achieving saturation in opening of accounts, distribution of RuPay cards, enrollments under PMSBY and PMJJBY. He requested controllers of all banks and LDMs to monitor the activities of the branches for achieving the required parameters enlisted by DFS and report the progress on a daily basis.
- There has been regular review by the Ministry of Finance regarding shortage of cash and ATMs going dry in the state. A state level monitoring committee has been formulated for this purpose to work out modalities to take effective and adequate measures for diversion of cash from excess centres to the centres where there is shortage of cash so that optimization of cash flow is ensured in all areas. He requested the controllers of all banks to ensure that all ATMs are invariably replenished and they dispense cash.
- RBI has advised that branches / banking outlets have to be opened in all villages of above 5000 population. So far only 239 villages have been provided with banking outlets out of the identified 567 villages. He requested the controllers of the banks to ensure that branches / CBS enabled banking outlets are immediately opened in the remaining villages as per the Road map given by SLBC as per the directives of RBI.

- The Department of Financial Services, MoF, GoI has furnished a list of 386 villages in the state which are inadequately covered and uncovered by financial infrastructure i.e. villages without any bank branch / ATM / Banking Correspondent within a radius of 5 kilometers with an advice to formulate a suitable action plan to cover these uncovered villages with a banking outlet. On receipt of information from banks and LDMs, it is observed that 51 villages are yet to be covered with a banking outlet. He requested the controllers of banks who have been allotted these villages to initiate immediate steps for covering these villages with a banking outlet as per the directives of DFS, MoF, GoI.
- Department of Financial Services, MoF, GoI has informed that 115 backward districts of the country including Visakhapatnam, Vizianagaram & YSR Kadapa in the state of Andhra Pradesh have been identified as Aspirational Districts for achieving rapid transformation by addressing the specific developmental needs. A set of Key Performance Indicators (KPIs) have been selected to monitor these efforts and progress made by all stakeholders in transforming the Aspirational Districts. The target set out for each KPI is bench-marked to the best performing district in the country on the respective parameter. SLBC in coordination with the LDMs concerned has organized special DCC meetings in the identified three Aspirational Districts of the state and he requested the controllers of banks to ensure that the needful is done as per the directives of DFS, MoF, GoI.
- In order to increase the coverage of APY subscribers, PFRDA is organizing APY "Citizens Choice Campaign" in the state of Andhra Pradesh during 30th April 2018 to 4th May 2018. LDMs of identified 10 Districts are advised to conduct Town hall meetings during the period to create awareness on APY. All Banks are requested to participate in the campaign.
- The banks in the state have always been in the forefront in carrying forward the vision of the Government by effectively implementing the welfare measures and performance of the banks in the state has been good during this financial year.
- He assured the Government of the total support and total involvement of SLBC and all banks in achieving the double digit growth as envisaged by the Hon'ble Chief Minister.

(Action: all Banks, SLBC, LDMs & Govt. Departments)

3.0 Sri KVV Satyanarayana, Special Secretary (IF) highlighted the following:

- ❖ In resolution of the problem to extend relief to Emu farmers Animal Husbandry, Dairy Development & Fisheries Department has issued G.O MS No.14 Dated: 16.04.2018.
- ❖ As instructed by Hon'ble CM, meetings of Sub - Committees on (i) Agriculture, Horticulture, Livestock and Aquaculture development (ii) MSME (iii) Government sponsored schemes and SHGs (iv) Service Sector, Industries and Digital Transactions were held on 14.02.2018 and 12.03.2018. Several issues pertaining to above subjects have been discussed and reviewed the progress in implementation of bank linked schemes.
- ❖ As per instructions of Department of Financial Services, MOF, GOI a special campaign namely "Gram Swaraj Abhiyan" is being organized from 14.04.2018 to 05.05.2018 in 305 villages in Andhra Pradesh targeting the large number of poor households to provide universal coverage under identified programmes including PMJDY, PMJJBY and PMSBY. As a State Mission Director addressed the bankers on 11.04.2018 and advised to them to

- evinced keen interest in organizing the special campaign and providing universal coverage of various banking products/ Government Schemes etc., to all the poor households.
- ❖ Cash shortage in ATMs/ Bank branches has come to the notice of State Government through representations/ reports from media, social activists and public representatives.
 - ❖ For easing the cash shortage, the Finance Department had discussions with Reserve Bank Of India, Hyderabad and with SLBC on several occasions and apprised the position of cash shortage while requesting them to take appropriate steps in increasing the supply of cash to banks in the state.
 - ❖ Government of Andhra Pradesh had taken up the issue with RBI and DFS and requested them to make immediate arrangements for supplying of adequate quantity of currency notes to banks in Andhra Pradesh.
 - ❖ At various Forums banks are requested to educate their customers to adopt to digital transactions.
 - ❖ During the year 2016-17 and 2017-18 banks in the state have broadly achieved targets set by RBI under priority sector advances, advances to agriculture, advances to MSME etc, the performance of banks in financing to tenant farmers in the state was satisfactory and needs improvement.
 - ❖ He observed that the following banks have performed well compared to others. Andhra Bank, Canara Bank, Indian Overseas Bank, Union bank of India, SBI, Syndicate Bank. Other Public Sector banks and all private sector banks except Karur Vysya Bank have not given any loan to tenant farmers.
 - ❖ As the StandUp India scheme is meant for encouraging entrepreneurship and providing self-employment to the unemployed youth, the banks are requested to sanction loans as per target.
 - ❖ Government Sponsored Schemes: Though the identification/selection process of beneficiaries under various schemes of the government for the year 2018-19 has been commenced, still there was shortfall in achieving the target for the year 2016-17 & 2017-18. Banks are requested to complete the groundings at an early date. In case, the bank branches are not able to disburse the loan amount, the subsidy received from the Government departments should be promptly returned.
 - ❖ Controllers are requested to instruct their branches and ensure achieving the targets under various Government Sponsored schemes for the year 2017-18 at the earliest and also take measures for achieving the targets for the year 2018-19 as per timelines.
 - ❖ Banks are requested to extend loans to Schedule Tribe farmers for their Recognition of Forest Rights (ROFR) lands to raise crops.

(Action: all Banks, SLBC, LDMs & Govt. Departments)

4.0 Sri Yanamala Ramakrishnudu, Hon'ble Minister for Finance & Planning, Commercial Taxes, Legislative Affairs, GoAP highlighted the following.

- ❖ Government of Andhra Pradesh has recently launched Comprehensive Financial Management System (CFMS) and Government is slowly shifting from Manual system to online system of payments.

- ❖ For successful functioning of the scheme banks are requested to open branches as many as possible in areas where shortage of bank branches observed.

(Action: all Banks)

5.0 Sri C KutumbaRao, Vice Chairman, AP State Planning Board, GoAP highlighted the following;

- ❖ In few districts DLRC meetings are not conducted and requested LDMs to conduct DLRC meetings mandatorily as per schedule.
- ❖ Financial Inclusion in Aspirational Districts: Performance in Key Performance Indicators (KPIs) is far below the benchmark indicators except Aadhaar seeding of bank accounts.
- ❖ SHG loan accounts were debited with the Guarantee fee and requested Andhra Bank to examine the issue and arrange for refund of Guarantee fee debited to SHG loan accounts from the year 2015-16 onwards.
- ❖ Union Bank of India, Paderu to re-credit the funds released under SC/ST sub plan which was adjusted to loan accounts of VOs in TPMU as the funds were released for specific purpose.

(Action: all Banks, Andhra Bank, Union Bank of India & LDMs)

6.0 Ms Anjana Dube, DDG, DFS, GOI informed that a special campaign namely "Gram Swaraj Abhiyan" is being organized targeting the large number of poor households to provide universal coverage under identified programmes including PMJDY, PMJJBY and PMSBY. In the state of Andhra Pradesh 305 villages were identified for campaign. DFS, MoF, GoI is daily reviewing the progress on daily basis.

DDG, DFS, GOI expressed her happiness for communicating the Targets for identified 305 villages. She requested LDMs and respective Banks to attain saturation in identified programmes. She further requested state Government to provide support for bankers in conducting survey and for identification of beneficiaries.

DDG, DFS, GOI requested Banks;

- ✓ To educate the people in account opening and cyber security.
- ✓ Banks & SLBC to ensure that all the inadequately covered villages where no financial infrastructure is available within a radius of 5 kilometre, are to be covered on priority.

Sri K Suresh Kumar, CGM, NABARD requested banks to conduct "Going Digital" programmes in their villages. Further he requested Government to address the connectivity problems in interior places of Andhra Pradesh.

(Action: all Banks)

7.0 Cash Management & Digital Transactions:

Convenor, SLBC informed that the Department of Financial Services, MoF, GoI has regularly reviewing the shortage of cash and ATMs going dry in the state. Cash Management Committee (CMC) has been formulated for this purpose to work out action plan and to take effective and adequate measures for better cash management.

Hon'ble Minister for Finance & Planning, Commercial Taxes, Legislative Affairs, GoAP informed that the cash is one of the big issues which is badly affecting,

- ✓ Economic activity
- ✓ Real estate sector
- ✓ Private Housing

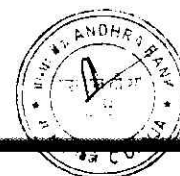
Currency shortage is having impact on the growth rate. He requested the RBI & Banks to carefully handle the issue.

Vice Chairman, AP State Planning Board, GoAP informed that public are withdrawing money due to fear on FRDI Bill.

Sri R Subramanian, Regional Director, RBI informed that RBI had taken necessary steps and as per the data available, from 17th April, 2018 onwards the cash supply in the ATMs has been substantially augmented and as of now 80% of the ATMs are working. Besides RBI has issued a Press release dated April 17, 2018 clearly specifying that there is sufficient cash in the RBI vaults and currency chests. Nevertheless, printing of the notes has been ramped up in all the four note presses. RBI is also taking steps to move currency to areas which witnessed unusual cash withdrawals and is closely monitoring these aspects.

Ms Anjana Dube, DDG, DFS, GOI informed that in reply to a Parliament Question Govt. has also informed the Lok Sabha on 16th March, 2018 that: "RBI has apprised that on receipt of letter dated 14.2.2018 from Govt. of Andhra Pradesh requesting for Rs.5,000 crore currency, fresh currency worth Rs.5,000 crore was despatched to Hyderabad office of RBI with instructions to ensure appropriate distribution of the cash amongst currency chests in the circles so that cases of shortage at specific places do not arise. As informed by RBI, during November 2016 to March 2017, Rs.82,168 crore was supplied to Hyderabad office of RBI which is the highest amongst all the offices of RBI in the country. Similarly, during April 2017 to February 2018, Rs.51,523 crore was supplied to Hyderabad office of RBI which was again the highest amongst all the offices of RBI in the country."

Vice Chairman, AP State Planning Board, GoAP Banks are requested to provide sufficient cash for Pension payments and requested banks to calibrate all ATMs for dispensing 200 rupee notes. Further, he requested banks not to collect cash handling charges for smooth flow of cash at bank branches.





President, SLBC informed that RBI has already instructed all banks to calibrate their ATMs for dispensing 200 rupee notes and he requested all controllers to use their vendor services to complete the calibration of ATMs at an early date.

Hon'ble Chief Minister of A.P expressed his concern over the shortage of cash availability in the Banks and ATMs in the state and requested Reserve Bank of India to ensure more cash availability in the banking system and advised the bankers to promote digital transaction in a big way. He suggested that RBI should come up with appropriate solution in this regard.

Referring to FRDI bill, he has informed that banks are required to create confidence among the public, protect every shareholder's interest.

Vice Chairman, AP State Planning Board, GoAP proposed to pass a resolution to probe the causes of cash crunch in the state and to have a frame work to study the current situation.

Ms Anjana Dube, DDG, DFS, GOI reiterated that the Central Govt. has taken necessary steps and request of Govt. of Andhra Pradesh have been dealt with appropriately and regional office of Hyderabad of RBI has received the highest cash supply amongst all offices of RBI in the country as informed to the Lok Sabha and further in April 2018 adequate measures were taken and as of now 80% ATMs are working.

Regional Director, RBI clarified that adequate arrangement and supply of cash for Andhra Pradesh has been made consistently and there is a local level cash monitoring committee which is monitoring the situation. Further the printing of the currency has been augmented to ensure that the ATMs have adequate cash.

Accordingly, this resolution was not considered further, implicitly dropped.

Vice Chairman, AP State Planning Board, GoAP informed that there is a news article published in English News paper that the salaried persons are withdrawing money from accounts and reducing digital transactions due to Merchant Discount Rate (MDR) charges and other charges.

President, SLBC informed that the UPI and Mobile transactions are increasing day by day.

Regional Director, RBI informed that the RBI has rationalised the charges and Government of India is reimbursing MDR charges up to Rs.2000/-. RBI is taking up Digital transactions in a bigger way even though people prefer physical cash.

Hon'ble Chief Minister of A.P opined that there may be some policy problem and there is a need to develop a comprehensive policy. He suggested for deep cut in merchant discount rate (MDR) and incentivisation of the digital transactions.



(Action: all Banks)

8.0 Sri KSD Siva Vara Prasad, Circle General Manager & Convenor, SLBC has taken up the agenda items for discussion.

9.0 The minutes of 201st SLBC meeting held on December 26, 2017 and other meetings conducted up to 12.03.2018 were approved by the house.

10.0 Action Taken Report of earlier SLBC Meetings:

10.1 Power Consumption by BCs- request for charging of domestic tariff :

Convenor, SLBC requested Finance department to review and restore the domestic tariff towards the power consumed at the Bank Mithra (BM) locations as the activity undertaken by them is not a commercial activity.

Special Secretary, Finance (IF), GoAP informed that the issue is under examination of APSPDCL.

Hon'ble Chief Minister of A.P accepted for charging of domestic tariff at Bank Mithra locations and advised Finance department accordingly.

(Action: Finance (IF), GoAP)

10.2 NTR Housing Programme: Convenor, SLBC requested the State Housing Corporation Limited, GoAP to communicate the comprehensive operational guidelines of the scheme and the action plan to enable SLBC to communicate the same and allocate the targets among the bank branches for its implementation.

(Action: State Housing Corporation Limited, GoAP)

10.3 Relief measures to EMU Farmers: Convenor, SLBC thanked GoAP for issuing G.O.Ms.No.14 dated 16.04.2018 on relief measures to EMU farmers and requested for the following modifications in the G.O.

- ❖ Implementation guidelines to be finalized by the sub-committee in consultation with Animal Husbandry Department, GoAP.
- ❖ Any disputes arising out of court cases between Emu farmers and Banks will have to be taken care by the individual Banks concerned and not SLBC.
- ❖ Banks concerned will only submit the Utilization Certificates directly to the Animal Husbandry Department.

Hon'ble Chief Minister of A.P advised Department to examine and make necessary modifications in the G.O.

(Action: Animal Husbandry Dept., GoAP)

11.0 Loan Charge Creation & e-Titled deed cum Pattadar Passbook:

Sri Anil C Punetha, Special Chief Secretary & CCLA, GoAP highlighted the following;

- ❖ State Government has developed Loan Charge Creation Module for the benefit of bankers and the banks in the state have been provided access to view and create charge on land in AP Web land Portal on real time basis.
- ❖ Loan Charge Creation Project of Andhra Pradesh has been awarded Gold under Category -1 "Excellence in Government Process Re-engineering" for the National Awards on e-Governance 2016-17.
- ❖ He requested banks to utilize this module to avoid duplication of loans and mandatorily enter the charge in the web land portal.
- ❖ The Government of Andhra Pradesh has passed an Amendment Act for ROR Act, 1971 in the year 2016. As per the ROR Amendment Act, 2016 Section 6(B)(1) the Pass Book and the Title Deed were made optional.
- ❖ All bankers have to issue loans/crop loans etc. using Loan Charge Creation Module without insisting on the e-Titled deed cum Pattadar Passbook irrespective of its type of format.
- ❖ Farmers have expressed their unhappiness owing to Banks not accepting the Electronic TD cum PPB obtained from Mee Bhoomi.
- ❖ Banks are requested to sanction loans to the farmers without insisting the e-Titled deed cum Pattadar Passbook irrespective of its type of format whenever they approach for sanction of loans.

(Action: all Banks)

12.0 Finance to Cultivators (Tenancy):

Sri K Suresh Kumar, CGM, NABARD informed that;

- ❖ There is a substantial improvement in financing to tenant farmers during 2017-18.
- ❖ Banks are requested to extend necessary finance to tenant farmers from beginning of the financial year.
- ❖ NABARD is proposing a separate scheme "Sagu Nestham" through Cooperatives.
- ❖ NABARD has entered MoU with RRBs for promoting Joint Liability Groups (JLGs).
- ❖ He opined that NABARD, SLBC, SERP, Agriculture department can sit together and prepare plan of action for achieving 100% target.

Representative from Agriculture Department, GoAP informed that;

- ❖ Banks are extending finance to eligible tenant farmers in LEC / CoC mode.
- ❖ In other cases tenant farmers are formed in to JLGs.

Dr. P Krishna Mohan, CEO, SERP, GoAP informed that SERP is implementing the World Bank funded project, Andhra Pradesh Rural Inclusive Growth Project (APRIGP), to promote livelihoods of farmers. SERP has mobilized farmers and formed Farmer Producer Groups (FPGs) and requested the banks to extend necessary finance to FPGs.

Special Chief Secretary & CCLA, GoAP informed that;

- ❖ A.P Licensed Cultivator Act and Rules, 2011 was formulated to provide loan and other benefits eligibility card to the farmers who raise crops with express or implied permission of owner or pattadar of land and further Government has introduced Certificate of Cultivation.
- ❖ Efforts have to be made to cover more number of tenant farmers by Banks & Government.
- ❖ All branches are provided with LEC & CoC details.
- ❖ A committee may be formulated for preparing comprehensive policy.

Sri S. Subbaiah, General Manager, RBI highlighted the following;

- ❖ Andhra Pradesh is the number one state in terms of tenant farmer financing
- ❖ RBI has prepared a detailed report on finance to tenant farmers and which is appreciated by all.
- ❖ LEC / CoC / JLG / RMG are the four instruments for financing tenant farmers.
- ❖ Most important impediment in extending finance to tenant farmers is that owner farmers have already availed crop loans on the same land.
- ❖ As per RBI guidelines crop loan should be given to cultivator
- ❖ For taking up all issues related to tenant farmers a SERP like institution / nodal agency may be created.

Hon'ble Chief Minister of A.P informed that;

- ❖ Government & Banks have to protect the interest of tenant farmers as well as owner farmers.
- ❖ Banks are advised to achieve 100% target in financing to tenant farmers during 2018-19 by coordinating with local people, Government & NABARD.
- ❖ Services of SHG women in villages may be utilized for formation of JLGs consisting of tenant farmers and the incentives provided by NABARD may be passed on to SHGs.

Hon'ble Chief Minister of A.P advised to constitute a sub-committee on financing to tenant farmers with Department of Agriculture, Revenue department, SERP, NABARD, SLBC & Banks and this committee will also review other issues related to agriculture finance.

CGM, NABARD opined that the sub-committee may also review finance extended to Weavers, Fisheries & Tribal people.

(Action: all Banks, NABARD, Govt. Departments & SLBC)

13.0 Allied Activities:

Sri G K Dwivedi, Principal Secretary, Animal Husbandry, Dairy Devp. & Fisheries, GoAP requested SLBC to prepare a sub-sector wise progress for effective review.

(Action: SLBC)

14.0 Relief measures by Banks in Areas Affected by Natural Calamities: Convenor, SLBC requested controllers to give suitable instructions to branches located in drought affected areas for taking up relief measures as per extant guidelines of Reserve Bank of India on Natural calamities.

(Action: all Banks)

15.0 MSME:

Hon'ble Chief Minister of A.P observed that the progress under StandUp India scheme is very low and advised Welfare departments to converge the SUI scheme with welfare schemes.

Sri Shamsheer Singh Rawat, Principal Secretary, Social Welfare, GoAP & Sri Vijay Kumar G.Srkr, VC & MD, AP SC Coop Finance Corporation, GoAP informed that as per scheme banks are insisting for Beneficiary Margin. If, banks may agree to permit Government Subsidy as margin money, SUI scheme will be converged with welfare schemes.

DDG, DFS, GOI informed that they will escalate the issue with the concern.

Sri Siddharth Jain, Commissioner of Industries, GoAP highlighted the following;

- ❖ The target of disbursements ACP 2017-18 for MSME Sector i.e. Rs. 25,000 Crores is to be increased by not less than 20% for the year ACP 2018-19 to meet the huge demand.
- ❖ Credit allocation for exports is presently 222 Crores which is not adequate. Aquaculture, Pharma Sector have high potential for exports. The credit plan for exports should be enhanced accordingly. Banks are advised to promote export credit.
- ❖ The disbursal of PMEGP 2017-18 is currently 72.19 % only. Immediate action to be taken to disburse loans for all the sanctioned cases.
- ❖ Progress of CGTMSE may be reviewed in the SLBC meetings.
- ❖ It is observed that the achievement under Medium Sector of MSMEs by the end of 3rd quarter is only 55.76%. Extra efforts may be put up in this regard as Medium enterprises are very important link in graduation to large and mega units, and local employment creation.
- ❖ Against the recommendations of PM Task Force for 20% year- on-year growth in credit to Micro and Small Enterprises it is only 3.8% in AP.
- ❖ Deputy Director (Credit) of all the DICs are designated by Government as representative in the Regional and Zonal Committee of banks for revival of sick units. It is requested that the meetings to be convened regularly by banks and recommendation for rehabilitation in respect of all viable units found therein shall be made to the Industries Department to take necessary action to bring out such units from sickness/support them even before they fall sick.
- ❖ MSME Credit for the new units and for the existing units may be shown separately in the agenda of SLBC henceforth, in district-wise achievement of ACP.
- ❖ The Co-operation from all the banks is solicited, for timely disbursement of Interest Subvention to eligible industries against the bank loans.

- ❖ To have better achievement under Stand up India, the AP Government Industrial Incentive Policies specially for SC/ST Women are to be circulated to all banks.

Hon'ble Chief Minister of A.P informed that;

- ❖ Banks are required to give more focus on MSME & Industrial sector.
- ❖ More employment generation comes from Industrial & MSME sectors.
- ❖ Government is planning to create organization for livelihood & welfare development.
- ❖ Banks are requested to cooperate in timely disbursement of Interest Subvention.

General Manager, RBI informed that RBI is reviewing the MSME related issues in Empowered Committee meetings at quarterly intervals.

(Action: all Banks, SLBC & Industries Department)

16.0 Housing for All (Urban) under Pradhan Mantri Awas Yojana (PMAY): Affordable Housing in Partnership (AHP): forum has approved the additional credit plan target of for additional target of 1,18,485 housing units.

(Action: all Banks & Housing Department, APTIDCO)

17.0 Credit Flow to Welfare Schemes: **General Manager, RBI** observed that the stipulated target under credit flow to Minorities is not achieved by banks and requested controllers of banks to initiate suitable action plan to achieve the target.

(Action: all Banks)

18.0 Government Sponsored Schemes:

Sri Vijay Kumar G.Srkr, VC & MD, AP SC Coop Finance Corporation, GoAP informed that APGVB is insisting security for loans sanctioned under Government sponsored schemes.

Chairman, APGVB informed that they have given instructions to their branches not to insist security for the loans up to Rs.2.00 lakhs. Further, he requested to allocate the targets based on market share.

CEO, SERP informed that APGVB is not allowing SHG members to withdraw their savings.

Chairman, APGVB requested SERP to share specific instances to initiate necessary action.

Sri Chinna Thataiah, MD, MEPMA suggested to resolve the issues in sub-committee meeting.

CGM, NABARD advised **Chairman, APGVB** to conduct a special meeting with Branch Managers and invite Government Officials and resolve all the issues.

Sri Shamsher Singh Rawat, Principal Secretary, Social Welfare, GoAP informed that;

- ❖ Banks are requested to complete the process of Sanction & Grounding of units pertaining to the years 2016-17 & 2017-18 by May, 2018.
- ❖ Banks are requested not to insist deposits & security while sanctioning loans under Government Sponsored schemes.
- ❖ Private sector banks are requested to actively participate in implementation of welfare schemes.
- ❖ **Repayment Tracker:**
 - ✓ Andhra Bank, CGGB, APGB, Vijaya Bank have entered MoU and are sharing data.
 - ✓ APCOB, Indian Bank, Central Bank of India, Syndicate Bank, APGVB, Punjab National bank, Karur Vysya Bank, Canara Bank, State Bank of India have entered MoU and yet to share the data.
 - ✓ Remaining banks are requested to enter MoU and share the data.

President, SLBC opined that the Repayment Tracker is also useful for banks for monitoring purpose and requested banks to complete the process at an early date.

Principal Secretary, Social Welfare, GoAP informed the planned Timelines for implementation of Government Sponsored schemes for financial year 2018-19:

Selection process to be completed by	30 th April, 2018
Bank Account opening by	15 th June, 2018
Sanctions by	30 th June, 2018
Subsidy Release by	15 th July, 2018
Groundings to commence on	15 th August, 2018
Groundings to be completed by	30 th October, 2018

Forum has approved the following targets for the financial year 2018-19 under various welfare schemes.

Department	(Amt. In Lakhs)	
	Total Physical Target	Total Financial Target
SERP - SHG Bank Linkage	372176	1101502
MEPMA – SHG Bank Linkage	67600	236600
MEPMA – SEP (Individual)	12158	18237
MEPMA – SEP (Groups)	297	2972
Department of Handlooms and Textiles	14180	7090
Sericulture	1750	990
Fisheries	13997	19462
AP Backward Classes Cooperative Finance Corporation Limited	56600	113200
AP Kapu Welfare & Development Corporation Limited	68000	136000
A.P. Washermen Cooperative Societies Federation Ltd.	7000	14000
A.P. Sagara (Uppara) Cooperative Societies Federation Ltd	4000	8000

A.P. Krishna Balija, Poosala Coop. Societies Federation Ltd.	2500	5000
A.P. Viswabrahmana Cooperative Corporation Ltd.	5000	10000
A.P. Kummari, Shalivaahana Coop. Societies Federation Ltd.	5000	10000
A.P. Nayee Brahmins Cooperative Societies Federation Ltd.	7000	14000
A.P. Vaddera Cooperative Societies Federation Ltd.	5000	10000
A.P. Valmiki/Boya Cooperative Societies Federation Ltd.	5000	10000
A.P. Bhattraja Cooperative Societies Federation Ltd.	1500	3000
A.P. Medara Finance Corporation Ltd.	3000	6000
A.P. Toddy Tappers Finance Corporation Ltd.	7000	14000
Most Backward Classes Welfare and Development Corporation	4000	8000
Economically Backward Communities (EBCs)	12000	24000
Self Employment Scheme for Vysya Communities	2000	4000
A.P. Scheduled Castes Cooperative Finance Corporation Ltd.	57334	95492
A.P. Scheduled Tribes Coop. Finance Corporation Ltd. (TRICOR)	13070	25519
Andhra Pradesh State Christian (Minorities) Finance Corporation	2400	4800
Andhra Pradesh State Minorities Finance Corporation Ltd.	15000	30000
Welfare of Differently Abled Transgender & Senior Citizens	2950	5900

Smt. K Sunitha, Secretary, Women, Child Welfare, Welfare of Disabled and Senior Citizens, GoAP requested banks to extend necessary cooperation in extending finance to Differently Abled & Transgenders.

Principal Secretary, Animal Husbandry, Dairy Devp. & Fisheries, GoAP informed that the performance under direct lending to fisheries sector by banks is good whereas the performance under Government Sponsored Schemes is poor. He requested Banks to extend necessary finance to fishermen under Government Sponsored schemes.

(Action: all Banks, LDMs & Welfare Departments)

19.0 Financial Inclusion:

P Ranjit Basha, Director, Panchayat Raj & Rural Development, GoAP requested Banks;

- ❖ To deploy Bank Mithras in 537 SSA locations.
- ❖ To supply adequate cash (by the branches of SBI) to the Department of Posts (DoP) in the area served by DoP, more particularly in the Visakhapatnam, Vizianagaram and Srikakulam districts.
- ❖ Not to adjust wage amounts paid to NREGS workers towards overdue loans.
- ❖ To send SMS alert to wage seekers.

Further, **Director, Panchayat Raj & Rural Development, GoAP** requested banks to open PMJDY accounts in rural branches without insisting on minimum balance (especially in East Godavari & Visakhapatnam district bank branches).

President, SLBC requested department to share any specific instances with controllers / SLBC for early resolution.

Regional Director, RBI informed that RBI has already instructed banks to give priority and arrange cash for Pension payments & wage payments.

Principal Secretary, Social Welfare, GoAP informed that the banking density in tribal areas is very poor and tribals are not able to open bank accounts. Tribal welfare department will resolve the connectivity issues wherever banks are facing problems of connectivity.

General Manager, RBI requested department to share list of locations for taking necessary action by Banks. Further he requested banks to complete the opening of CBS enabled banking outlets in Unbanked Rural centres (URC) / above 5000 population villages by 30th June, 2018.

Principal Secretary, Social Welfare, GoAP requested banks to appoint "Streenidhi" as Corporate BC.

President, SLBC informed that Andhra Bank is utilising the services of Streenidhi as Corporate BC and the performance of Steenidhi as corporate BC is good. He requested that other banks may also utilise the services of Streenidhi.

Mana Seva Centre (OSS): CEO, SERP informed that SERP is implementing Andhra Pradesh Rural Inclusive Growth Project (APRIGP) assisted by the World Bank. SERP has identified remote locations in 161 Mandals under the APRIGP project and requested banks to recognize VLE of Manaseva centre as business correspondents. Further CEO, SERP informed that there is a positive response from Andhra Bank & State Bank of India and requested other banks to initiate necessary action for successful implementation of scheme.

(Action: all Banks, Tribal Welfare Department & SERP)

20.0 Debt Redemption: Vice Chairman, AP State Planning Board, GoAP informed that still Rythu Sadhikara Samstha is receiving grievances from farmers (majority from SBI) that debt redemption amounts are not credited to the farmers accounts and advised the banks to make a note of the following.

- ✓ Credit the pending debt redemption amount to farmers' accounts immediately. Banks shall return the pending debt redemption amount to Rythu Sadhikara Samstha with relevant reasons.
- ✓ Furnish the details of No Data cases
- ✓ Furnish the farmers details in respect of eligible JLG/RMG farmers.
- ✓ Sensitize the branch staff to address the grievances of the farmers in a sympathetic way and ensure that there are no complaints by farmers accusing Banks of lack of prompt service.
- ✓ Furnish the contact details and mail addresses of branches at quarterly intervals for taking up the issues directly by Rythu Sadhikara Samstha.

- ✓ OTS farmers are to be properly guided.
- ✓ If any farmer has not received Debt Redemption bonds, banks are requested to direct those cases/farmers to Rythu Sadhikara Samstha.
- ✓ Banks are requested to cooperate with Government for early resolution of issues.

GM, SBI requested Government to support banks in mobilising farmers and to approach branches for claiming debt redemption amount. Further, he informed that in some cases farmers accounts are closed and the amount will be returned to Rythu Sadhikara Samstha.

President, SLBC requested all banks to initiate necessary action and instruct the branches accordingly and resolve the issues.

(Action: all Banks & Rythu Sadhikara Samstha)

21.0 Loans to Schedule Tribe Farmers for their ROFR:

Principal Secretary, Social Welfare, GoAP requested banks to extend finance to Schedule Tribes who are undertaking agricultural activities in the assigned forest lands and recognized under ROFR act 2006 to enjoy rights on the forest land assigned to them and cultivating the land for raising crops/ plantations.

General Manager, Andhra Bank informed that the forest dwelling Scheduled Tribes and other traditional forest dwellers shall be provided with certificate of forest rights and there is no records at Mandal level for verification of cultivation details.

Principal Secretary, Social Welfare, GoAP informed that Department will digitalize the land records and make it available to banks.

(Action: all Banks & Tribal Welfare Department)

22.0 Mega and Integrated Food Parks Scheme under AP Food Processing Policy:

Sri Girija Shankar, Secretary to Hon'ble Chief Minister, GoAP requested banks not to insist on mortgaging the leasable plot area while sanctioning term loan to SPVs of Mega and Integrated Food Parks.

(Action: all Banks)

23.0 Record of Appreciation to Sri S. Subbaiah, General Manager, RBI: Forum has proposed to place on record the commendable services rendered and the guidance given by Sri S. Subbaiah, GM, RBI to the Bankers, Government in handling the issues in many meetings including SLBC, on the eve of his transfer from RBI, Regional Office, Hyderabad.

The meeting concluded with vote of thanks to the Chair, other dignitaries and member banks by B Suri Babu, Chairman, SGB.



Concluded.....

Summary of Action Points emerged in the meeting

S.No	Action Point
1.	Power Consumption by BCs – request for charging of domestic tariff, guidelines requested (Action: Finance Department, GoAP)
2.	NTR Housing Programme – communication of Operational guidelines (Action: A.P. State Housing Corporation Limited, GoAP)
3.	Extending relief measures to Emu farmers (Action: Department of Animal Husbandry, GoAP)
4.	Conducting of DLRC meetings as per schedule (Action: all LDMs)
5.	Constitution of a sub-committee on Tenant Farmers & Agriculture credit (Action: Agriculture & Revenue departments, SERP, NABARD, SLBC & Banks)
6.	Relief measures by Banks in Areas Affected by Natural Calamities (Action: all Banks)
7.	Complete the process of Sanctions & Groundings pertains to the years 2016-17 & 2017-18 by May, 2018. (Action: all Banks)
8.	Not to insist on deposits & initiate a proper monitoring mechanism at the controlling office to ensure proper implementation of the welfare schemes (Action: all Banks)
9.	Complete the opening of banking outlets in Unbanked Rural centres (URC) / above 5000 population villages by 30 th June, 2018. (Action: all Banks)