

# 217<sup>TH</sup> MEETING OF STATE LEVEL BANKERS' COMMITTEE

Andhra Pradesh

## Agenda & Background Notes

Convener : Union Bank of India



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## AGENDA 1 – ADOPTION OF THE MINUTES OF 216<sup>th</sup> SLBC MEETING

### Adoption of the minutes of 216<sup>th</sup> SLBC meeting of AP held on 09.09.2021 and other meetings of SLBC held after 09.09.2021

The minutes of 216<sup>th</sup> SLBC meeting held on Sep,9 2021 were circulated to the members of SLBC, LDMs and Government Departments concerned. The details of Sub-committee meetings and Steering Committee meetings held after 09.09.2021 and up to 30.11.2021 are furnished below. The minutes are placed as annex. Minutes of SLBC & Sub Committee meetings are also available in SLBC portal ([www.slbcap.nic.in](http://www.slbcap.nic.in))

SLBC Meeting	Date of Meeting held
216 <sup>th</sup> Meeting of SLBC of AP	09.09.2021

### Details of Sub Committee Meetings held after 09.09.2021

Agenda Items	Date of Meeting held
<ul style="list-style-type: none"> <li>Tenant Farmers Finance-Concerns &amp; Way forward.</li> <li>Positioning of Bank Mitras at Rythu Bharosa Kendra (RBK) Locations</li> <li>Crop loan lending based on the details of e-Karshak/e- panta register</li> <li>Furnishing of Loan Advances list to the concerned RBKs</li> <li>Bringing the KCCs into active mode</li> <li>Issuance of KCC to Animal Husbandry and Fisheries farmers.</li> </ul>	18.10.2021
<ul style="list-style-type: none"> <li>National Strategy for Financial Inclusion - NSFI - 2019-2024-Mile stones-Timelines</li> <li>National Strategy for Financial Education - NSFE - 2020-2025</li> <li>Revamp of Lead Bank Scheme -Developing a Standardized System for data flow and its management by SLBC Convener Banks on SLBC websites.</li> <li>Review of Operations of Business Correspondents.</li> <li>Digital Districts Phase 2- Expanding and deepening of the Digital payments Ecosystem in Srikakulam and Guntur Districts.</li> <li>DFS-Janasurakha Saturation Campaign</li> <li>Solar Power Unit / UPS Unit -NABARD financial assistance</li> </ul>	23.11.2021

These minutes may be taken as approved by the house as no amendments/changes were received by SLBC of Andhra Pradesh.

### Major Action Points of earlier SLBC / Steering Committee Meetings – ATR

Action Point	Action Initiation By	Status of Action initiation.
All banks shall ensure to place a mechanism of submission of interest reimbursement claims of Jagananna Thodu scheme automatically to Govt every quarter	All Banks	SLBC vide Ltr SLBC/196/215 dated 23.09.2021 advised all banks accordingly. Govt has released Rs 16.36 Cr for 4.50 lakhs beneficiaries on 20.10.2021 towards interest reimbursement. Banks have submitted data upto Sep 21 Quarter

Action Point	Action Initiation By	Status of Action initiation.				
All banks to expedite the sanction & disbursement process of all eligible cases of YSR Cheyutha scheme.	All Banks	SLBC vide Ltr SLBC/196/215 dated 23.09.2021 advised all banks accordingly. Progress is placed hereunder: <table border="1" data-bbox="933 347 1420 425"> <tr> <td>Appls Submitted</td> <td>76557</td> </tr> <tr> <td>Sanctions</td> <td>50064 (65%)</td> </tr> </table>	Appls Submitted	76557	Sanctions	50064 (65%)
Appls Submitted	76557					
Sanctions	50064 (65%)					
All banks shall accord utmost priority to accelerate the tenant farmer finance.	All Banks	The strategies for improving the progress were thoroughly discussed in an exclusive SLBC Sub Committee meeting dated 18.10.2021. Banks have achieved 24% progress upto the second quarter of the financial year.				
Banks to initiate suitable steps for ensuring BC services at unmapped RBK locations	All Banks	During the SLBC Sub Committee meeting held on 18.10.2021, it was resolved that Bank Mitras would extend their services at RBKs daily from 9 AM to 5 PM. UBI & IOB are in process of appointing more BCs for vacant RBK locations.				
Agriculture Department, Govt of AP to enable the bulk upload process for the Banks in YSR Sunna Vaddi Pantarunalu Portal for easy, error free and timely updation of farmers data.	Department of Agriculture	Department of Agriculture vide Lr no Credit/09/2020 dt.27 .09.2021 informed that the facility has been enabled in the SVPR portal.				
Banks to consider waiving the processing and documentation charges on SHG loans and initiate suitable action immediately for approval of the same by their respective competent authority	All Banks	SLBC vide Ltr No SLBC/196/215 dated 23.09.2021 advised all banks accordingly. UBI confirmed that processing charges for SHG loans upto Rs 10.00 lacs have been waived.  SBI,BOB informed that, they have escalated the matter to their Corporate office for waiving the processing charges. APGVB informed that proposal for waiver of processing fee will be referred to the Bank's Board for decision.				
YSR Jagananna Nagar - Banks to expedite the grounding process. In view of the muted participation by private sector banks, SLBC shall hold a review meeting with them for their active participation in the scheme.	All Banks & SLBC	SLBC vide Ltr SLBC/196/215 dated 23.09.2021 advised all banks accordingly. As on date total of 14970 loans have been sanctioned by Banks. The progress is placed under Agenda Item 8. SLBC has conducted a meeting with private banks and advised them to ensure active participation.				



Action Point	Action Initiation By	Status of Action initiation.
All banks to finalize central level data extraction and test check of previous quarter data and to ensure smooth data flow through CBS platform directly to SLBC portal as per the RBI instructions.	All concerned Banks	Total 37 banks have been on boarded on the SBC portal. 30 Banks have submitted in full shape for Sep 2021 quarter. SLBC is sensitizing the remaining banks for expeditious completion of the task.
Banks can utilize services of village and ward secretariat staff for the purpose of recovery in Jagananna Thodu and other Govt schemes.	All Banks	Major Banks informed that suitable instructions have been issued to the branches, wherein branches are sharing OD/NPA borrowers list with VS/WS staff to pursue for recovery.

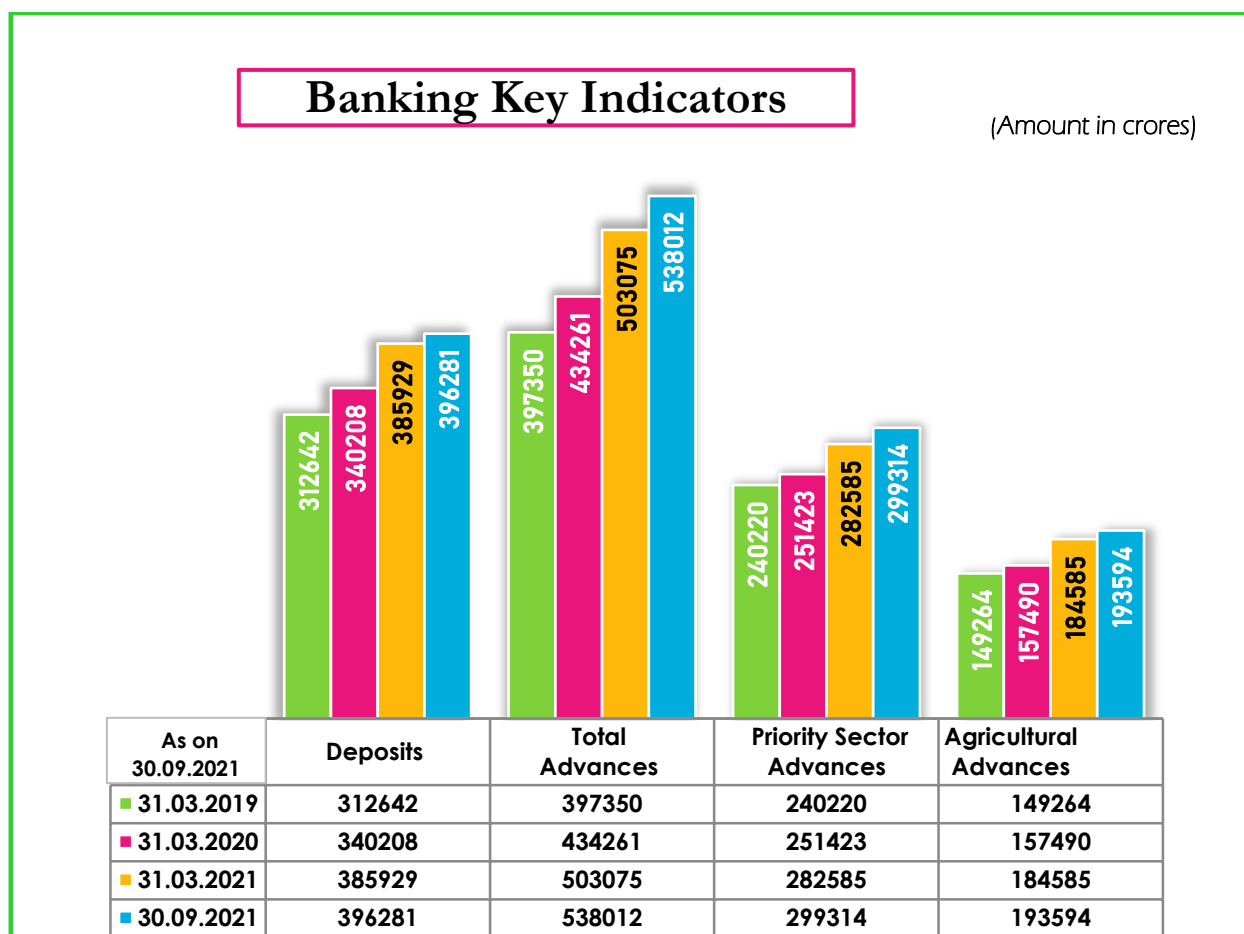
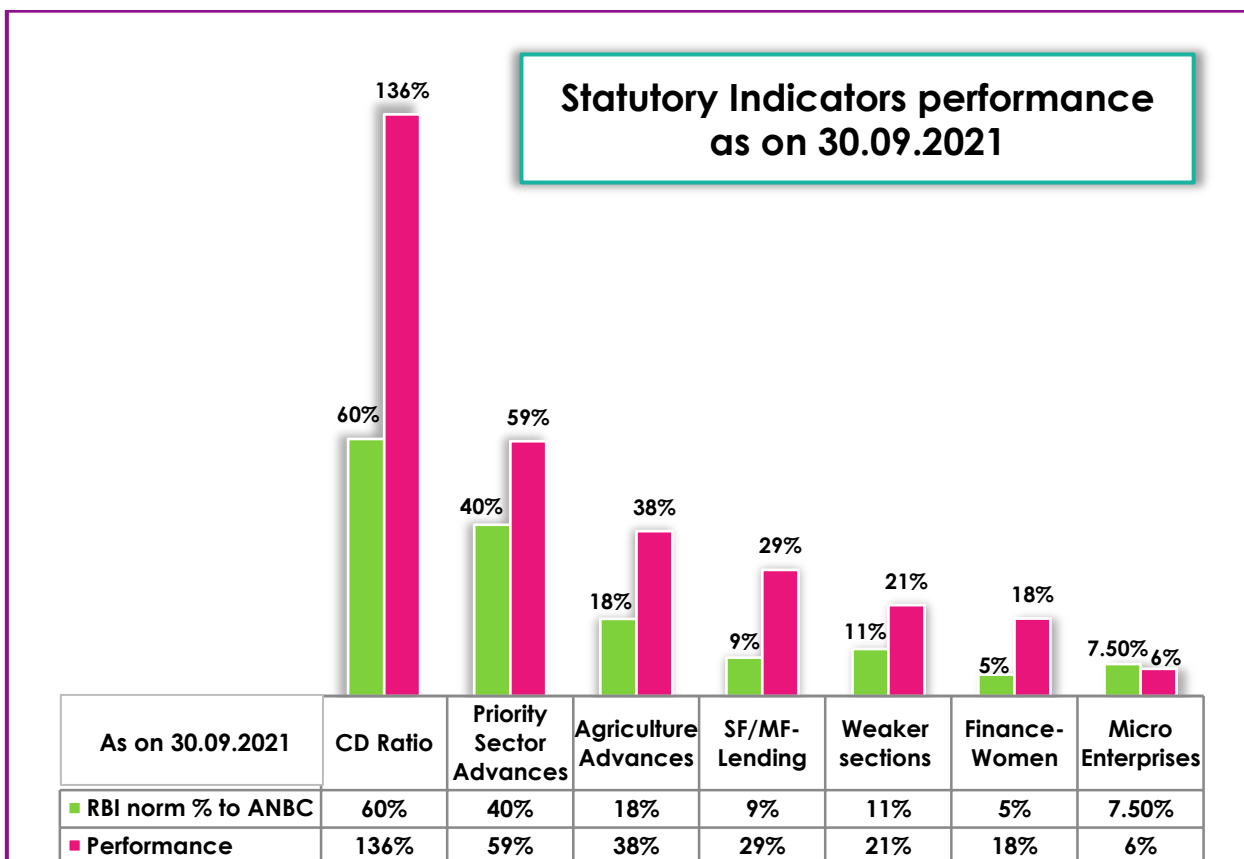
## AGENDA 2 - BANKING KEY INDICATORS OF ANDHRA PRADESH AS ON 30.09.2021

### 2.1 Banking at a Glance in Andhra Pradesh as on 30.09.2021

Total No. of Bank Branches				
Rural	Semi Urban	Urban	Metro	Total
2651	2298	1848	718	7515
(Amt. in crores)				
Parameter		Outstanding	RBI Norm %	
<b>Total Deposits in the State</b>		<b>396281</b>	-	
<b>Total Advances in the State</b>		<b>538012</b>	-	
Credit Deposit Ratio		135.77%	60%	
<b>Total Priority Sector Advances</b>		<b>299314</b>	-	
% of Priority Sector Advances to ANBC		59.50%	40%	
Of Above				
<b>Agricultural Advances</b>		<b>193594</b>	-	
% of Agrl. Adv. to ANBC		38.48%	18%	
Of Above				
Small & Marginal Farmers		148085	-	
% Small & Marginal Farmers to ANBC		29.44%	9%	
Micro & Small Enterprises		56444	-	
(% to ANBC)		11.22%		
Out of which Micro Enterprises		32884		
(RBI norm – 7.5% of ANBC)		6.54%	7.50%	
Medium Enterprises		10003	-	
Total MSME		66447	-	
(% to ANBC)		13.21%	-	
<b>Export Credit</b>		<b>460.87</b>	-	
<b>Education</b>		<b>4227</b>	-	
<b>Housing</b>		<b>28782</b>	-	
<b>Social Infrastructure</b>		<b>43.62</b>	-	
<b>Renewable Energy</b>		<b>50.87</b>	-	
Others		5708	-	
Out of Total Priority Sector Advances, finance to.				
SHGs		35273	-	
Advances to Weaker Sections		106710		
% Weaker Sections advances to ANBC		21.21%	11%	
Advances to Women		90921	-	
% of Women advances to ANBC		18.07%	5%	
Advances to SC/ST		25744	-	
Advances to Minorities		14658	-	

**Note: % is calculated on total advances of 31<sup>st</sup> March of previous year instead of ANBC which is not available for the State.**





## 2.2 Comparative Statement of Banking Key Indicators

### 2.2.1 Deposits & Advances:

(Amt. in Crores)

Particulars	As on 31.03.2019	As on 31.03.2020	As on 30.09.2020	As on 31.03.2021	As on 30.09.2021	%Inc over Sep, 2020	%Inc over Mar,2021
Deposits	3,12,642	3,40,208	3,72,408	3,85,929	3,96,281	6.41%	2.68%
Advances	3,97,350	4,34,261	4,77,273	5,03,075	5,38,012	12.73%	6.94%

### 2.2.2 Basic Parameters:

(Amt.in Crores)

S. No	Particulars	As on 31.03.2019	As on 31.03.2020	As on 31.03.2021	As on 30.09.2021
1	Total Number of Branches	7,379	7509	7,515	7,515
	Incremental no. of branches	194	130	6	0
	% of increase (Over Mar21)	2.70%	1.76%	0.08%	0.00%
2	Deposits	3,12,642	3,40,208	3,85,929	3,96,281
	Incremental Deposits	26,784	27,566	45,721	10,352
	% of increase(Over Mar21)	9.37%	8.83%	13.44%	2.68%
3	Total Advances	3,97,350	4,34,261	5,03,075	5,38,012
	Incremental advances	65,329	36,911	68,814	34,936
	% of increase(Over Mar21)	19.68%	9.30%	15.85%	6.94%
4	Priority Sector Advances	2,40,220	2,51,423	2,82,585	2,99,314
	Incremental Priority advances	37,283	11,203	31,162	16,729
	% of increase(Over Mar21)	18.37%	4.69%	12.39%	5.92%
5	C.D. Ratio	127.09%	127.65%	130.35%	135.77%
	C.D. Ratio as per RBI norm	60%			

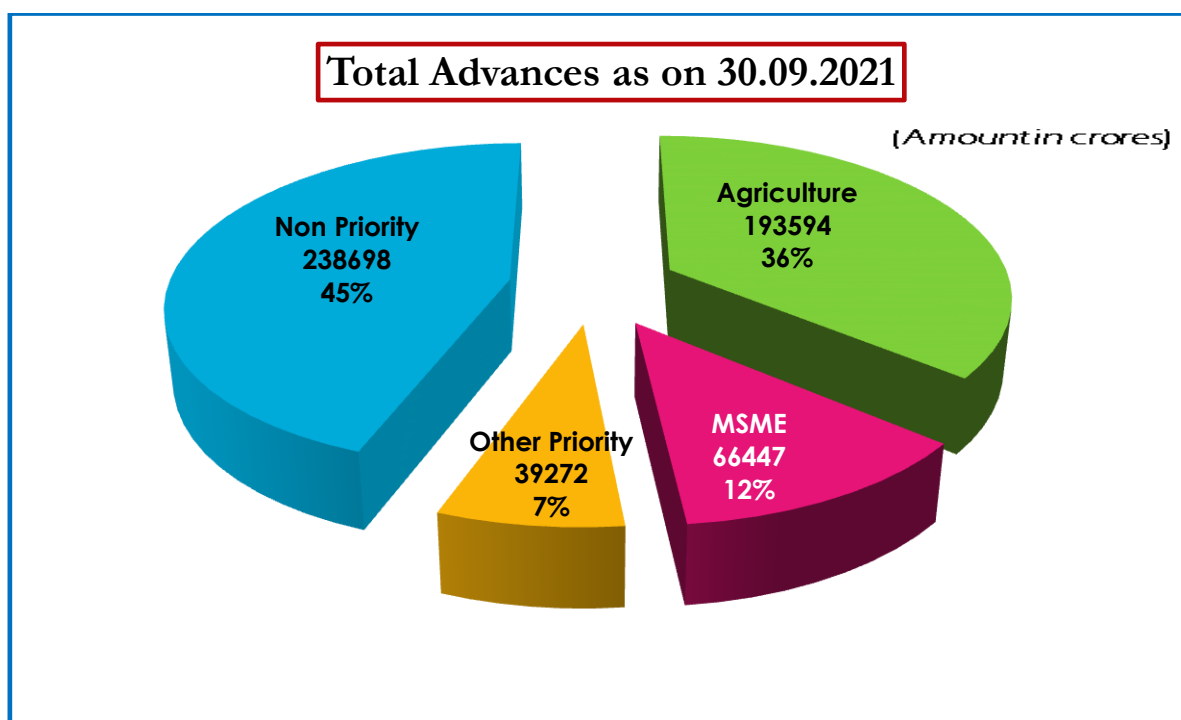
### 2.2.3 Statement of Priority Sector Advances (Outstanding):

(Amt.in Crores)

S N	Particulars	As on 31.03.19	As on 31.03.20	As on 31.03.21	As on 30.09.21
1	Short Term Production loans	98,078	1,04,940	1,22,196	1,34,284
2	ATL(Incl Infra & Ancillary)	51,186	52,550	62,388	59,310
3	Total Agrl. Advances	1,49,264	1,57,490	1,84,585	1,93,594
	% of Agrl. Advances to ANBC (RBI norm- 18%)	44.96%	39.63%	42.50%	38.48%
4	Micro & Small Enterprises	51,398	52,122	53,428	56,444
	(% to ANBC )	15.48%	13.11%	12.30%	11.22%
	Medium Enterprises classified as Priority Sector w.e.23.04.15	6,627	5,951	8,556	10,003
	MSME Total	58,025	58,073	61,984	66,447
	(% to ANBC)	17.48%	14.66%	14.27%	13.21%
5	Export Credit	543	692	460	461
6	Others' under Priority Sec Adv	32,388	35,167	35,557	38,811
	(% to ANBC)	9.75%	8.85%	8.18%	7.71%
<b>Total Priority Sector Advances</b>		<b>2,40,220</b>	<b>2,51,423</b>	<b>2,82,585</b>	<b>2,99,314</b>
% of Priority Sector Adv to ANBC (RBI norm-40%)		<b>72.35%</b>	<b>63.27%</b>	<b>65.07%</b>	<b>59.50%</b>

### 2.2.4 Bank Branches:

Particulars	As on 31.03.2019	As on 31.03.2020	As on 30.09.2020	As on 31.03.2021	As on 30.09.2021	Inc/Dec over Mar 21	Inc/Dec over Sep 20
Rural	2650	2637	2632	2642	2651	9	19
Semi Urban	2228	2323	2316	2306	2298	-8	-18
Urban	1839	1857	1881	1837	1848	11	-33
Metro	662	692	720	730	718	-12	-2
Total	7379	7509	7549	7515	7515	0	-34



### 2.3 District wise position of CD ratio as on 30.09.2021

S.No.	Name of the District	CD Ratio
1	Srikakulam	121.40
2	Vizianagaram	120.55
3	Visakhapatnam	111.97
4	East Godavari	129.05
5	West Godavari	144.52
6	Krishna	196.94
7	Guntur	132.10
8	Prakasam	166.80
9	Spsr Nellore	146.03
10	Chittoor	83.05
11	YSR Kadapa	116.50
12	Anantapuram	122.88
13	Kurnool	141.61
Grand Total		135.77

The CD Ratio in the State of Andhra Pradesh is 135.77% and no District in the State is having CD ratio below statutory benchmark of 60%. Chittoor District only reported 83.50% CD ratio, the low CD ratio attributed to bulk deposits of TTD.

### AGENDA 3-ACHIEVEMENT OF ANNUAL CREDIT PLAN (FY22) AS ON 30.09.2021

#### 3.1 Achievement of Annual Credit Plan as on 30.09.2021 for FY 2021-22

##### 3.1.1 Total Credit Plan:

(Amt. in Crores)

SN	Segment	Target 2021-22	Achievement (Disbursements during 01.04.21 to 30.09.2021)	% of Achievement
A	Priority Sector	213560	100990	47.29%
B	Non-Priority Sector	69820	70530	101.02%
C	Total Credit Plan	283380	171520	60.53%

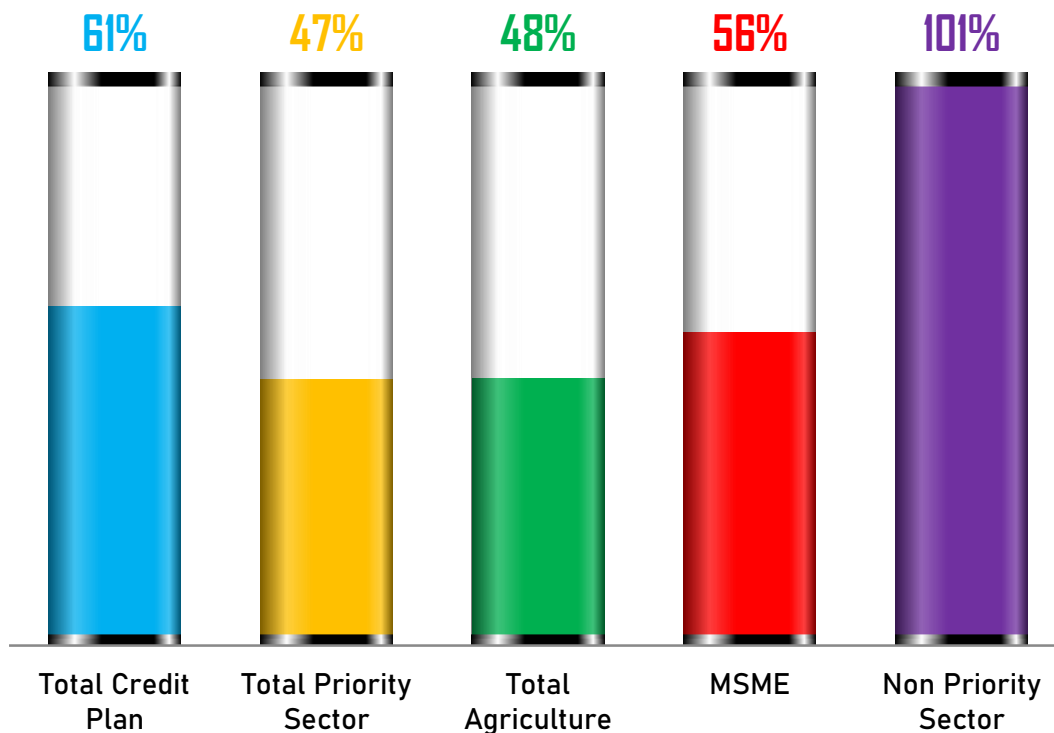
##### 3.1.2 Priority Sector:

(Amt. in Crores)

S. No	Segment	Target 2021-22	Achievement (Disbursements during 01.04.21 to 30.09.2021)	% of Achievement
<b>A. Agriculture</b>				
1	<b>Short Term Crop Production Loans</b>			
	Kharif	65149	56940	87.40%
	Rabi	45273	0	0.00%
	<b>Total</b>	<b>110422</b>	<b>56940</b>	<b>51.57%</b>
2	<b>Agriculture Term Loans</b>			
	Kharif	18314	10967	59.88%
	Rabi	12727	0	0.00%
	<b>Total</b>	<b>31041</b>	<b>10967</b>	<b>35.33%</b>
3	<b>Total Farm Credit</b>			
	Kharif	83464	67907	81.36%
	Rabi	58000	0	0.00%
	<b>Total</b>	<b>141464</b>	<b>67907</b>	<b>48.00%</b>
4	<b>Agri Infrastructure &amp; Ancillary Activities</b>			
	Kharif	3518	2625	74.62%
	Rabi	3518	0	0.00%
	<b>Total</b>	<b>7036</b>	<b>2625</b>	<b>37.31%</b>
5	<b>Total Agriculture</b>			
	Kharif	86982	70532	81.09%
	Rabi	61518	0	0.00%
	<b>Total</b>	<b>148500</b>	<b>70532</b>	<b>47.50%</b>
<b>B. MSME</b>				
1	Micro Enterprises	20616	11716	56.83%
2	Small Enterprises	16361	8918	54.50%
3	Medium Enterprises	7523	4262	56.65%
4	<b>Total MSME</b>	<b>44500</b>	<b>24896</b>	<b>55.95%</b>

S. No	Segment	Target 2021-22	Achievement (Disbursements during 01.04.21 to 30.09.2021)	% of Achievement
<b>C. Other Priority Sector Advances</b>				
1	III. Export Credit.	1083	229	21.18%
2	IV. Others	19477	5332	27.38%
	a. Education	1786	320	17.90%
	b. Housing	11056	1618	14.64%
	c. Others	6634	3394	51.16%

## ACP Achievement as on 30.09.2021



Amt in Crs.

Particulars	Target- Yearly	Achievement (upto Sep 21)
Total Credit Plan	283380	171520
Priority Sector	213560	100990
Agriculture	148500	70532
MSME	44500	24896
Non Priority Sector	69820	70530

## 3.2 Annual Credit Plan Achievement: Last Three years

### 3.2.1 Total Credit Plan:

(Amt. in Crores)

S N	Segment	2018-19		2019-20		2020-21		2021-22	
		(31.03.2019)		(31.03.2020)		(31.03.2021)		(30.09.2021)	
		Target	Achvmt	Target	Achvmt	Target	Achvmt	Target	Achvmt
1	Priority sector	144220	149414(104%)	169200	159253(94%)	187550	196982(105%)	213560	100990(47%)
2	Non-Priority sector	50000	66526(133%)	60000	68629(114%)	64050	90652(142%)	69820	70530(101%)
3	Total Credit Plan	194220	215940(111%)	229200	227882(99%)	251600	287634(114%)	283380	171520(61%)

### 3.2.2 Priority sector Advances:

(Amt. in Crores)

S N	Segment	2018-19		2019-20		2020-21		2021-22	
		(31.03.2019)		(31.03.2020)		(31.03.2021)		(30.09.2021)	
		Target	Achvmt	Target	Achvmt	Target	Achvmt	Target	Achvmt
1	Short Term Production Loans	75000	76721	84000	89273	94629	109210	110422	56940
2	Total Agrl. Term Loans incl. allied activities	26564	29839	31000	24724	34031	37669	38078	13592
3	Total Agriculture	101564	106560	115000	113997	128660	146879	148500	70532
4	MSME	28261	33815	36000	37872	39600	40312	44500	24896
5	Others under Priority Sector incl. export Credit	14395	9039	18200	7384	19291	9791	20560	5562
	Total Priority Sector	144220	149414	169200	159253	187551	196982	213560	100990

## 3.3 Comparative statement of Credit Disbursements (Y-o-Y)

### 3.3.1 Total Credit Plan:

(Amt. in Crores)

SN	Segment	Disbursements from 01.04.2020 to 30.09.2020	Disbursements from 01.04.2021 to 30.09.2021	% Increase
1	Priority sector	106352	100990	-5.04%
2	Non-Priority sector	53277	70530	32.38%
3	Total Credit Plan	159629	171520	7.45%

### 3.3.2 Priority Sector Advances:

(Amt. in Crores)

SN	Segment	Disbursements from 01.04.2020 to 30.09.2020	Disbursements from 01.04.2021 to 30.09.2021	% Increase
1	Short term Crop Production Loans	57575	56940	-1.10%
2	Agriculture Term Loans( incl. infra & anc)	16580	13592	-18.02%
3	Total Agriculture	74155	70532	-4.89%
4	MSME	27576	24896	-9.72%
5	Other Priority Sector incl. Exp. Crdt.	4621	5562	20.37%
6	Total Priority Sector	106352	100990	-5.04%

## AGENDA 4-FLOW OF CREDIT TO AGRICULTURE SECTOR

### 4.1 Statement of Agriculture Advances (Outstanding)

(Amt.in Crores)

S N	Particulars	As on 31.03.2018	As on 31.03.2019	As on 31.03.2020	As on 31.03.2021	As on 30.09.2021
1	Short Term Production loans	83,084	98,078	1,04,940	1,22,196	1,34,284
2	Total Agrl. Term Loans	36,101	41,956	45,630	57,121	53,097
	Total Farm Credit	1,19,185	1,40,034	1,50,570	1,79,317	1,86,611
3	Agriculture Infra & Ancill	6,787	9,230	6,920	5,268	6213
4	Total Agrl. Advances	1,25,972	1,49,264	1,57,490	1,84,585	193594
5	% of Agrl. Advances to ANBC (RBI norm- 18%)	46.08%	44.96%	39.63%	42.50%	38.48%

(Above Figures are related to Agriculture under Priority sector)

### 4.2 Lending to Agriculture Term Loans as on 30.09.21

(Amt.in Crores)

S.No	Sector	Target	Achievement	% Achv
1	Minor Irrigation	1,459	253.91	17.4
2	Farm Mechanization	2,640	239.59	9.08
3	Plantation & Horticulture	1,727	78.09	4.52
4	Forestry & Wasteland Development	303	41.4	13.66
5	Dairy	4,891	1188.19	24.29
6	Poultry	1,529	306.63	20.05
7	Sheep / Goat / Piggery	1,089	280.45	25.75
8	Fisheries	1,738	257.98	14.84



### 4.3 Integration of Business Correspondents/Bank Mithras (BCs) services at RBKs

- As per the resolution in earlier SLBC meetings, banks agreed to integrate their BC services at RBK locations.
- During the SLBC Sub Committee meeting held on 18.10.2021 it was resolved Bank Mitras to extend their services at RBKs daily from 9 AM to 5 PM for the convenience of farmers
- A detailed SOP/Job card on BC operations has been formulated.

### 4.4 YSR Sunna Vaddi Panta Runalu :

- YSR Sunna Vaddi Panta Runalu Scheme is introduced to reduce the debt burden of the small and marginal farmers. The benefit of the scheme is interest free (Vaddi Leni Runalu) crop loans up to Rs. 1.00 lakh, subject to repayment of these loans within the due date and maximum of 1 year from the date of disbursement. Banks have to upload the data of the eligible farmers of SVPR claims for the crop loans who have utilized the said loans for the intended purpose and repaid up to Rs.1.00 lakh within the stipulated time in the MIS format available in the SVPR portal, duly following protocol
  - The active SB account numbers with correct adhaar number of the eligible farmers are only to be uploaded in the SVPR portal to avoid eliminations due to wrong account number during processing claims.
  - Ensure entry of actual beneficiary name in the portal with correct adhaar details.
  - Upload the interest subsidy details in the portal by calculating interest eligible only as per the scale of finance on crop loans.
  - Ensure valid data entry with relation to loaning and repayment time lines

The Government of Andhra Pradesh has settled the SVPR claims for Kharif 2020 crop season during October 2021 for 6.67 lakhs farmers to the tune of Rs 112.70 Cr where the amount has been directly credited into farmer account through DBT.

### 4.5 Pradhan Mantri Fasal Bima Yojana (PMFBY) / Restructured Weather Based Crop Insurance Scheme (WBCIS): Kharif-2021

The Government of India announced implementation of Crop Insurance scheme under the title “Pradhan Mantri Fasal Bima Yojana- (PMFBY)” w.e.f Kharif 2016. Andhra Pradesh State implemented PMFBY from Kharif 2016 (Inception) to Kharif 2019.

The State Govt issued orders to setup Andhra Pradesh General Insurance Corporation Limited (APGICL) and the registration with Insurance Regulatory Development Authority of India (IRDAI) is under process. With APGIC coming into existence, the State may also bid for implementation of PMFBY. In anticipation of approval from IRDAI, the State de-boarded from PMFBY after Kharif 2019 and is implementing its own Free Crop Insurance scheme.

With a view to cover each and every acre of land under Crop Insurance as intended, the State Govt introduced Dr. YSR Free Crop Insurance scheme w.e.f Rabi 2019-20 based on the e-crop registration itself. All the notified crops which were captured through e-crop will automatically be provided insurance protection and the State Govt is shouldering the entire claim settlement responsibility for the eligible farmers.

There is no loanee and Non loanee discrimination. Scheme is free for all notified crops (including Commercial Crops) without any limitation on the extent.

The Department of Agriculture is the nodal agency for implementation of State sponsored Dr YSR Free Crop Insurance scheme. The eligible claims for 2020-21 have been calculated on similar lines of PMFBY by the Agriculture Department without even collection of 1 rupee from the farmer as premium. There is no change in methodology for arriving the claim. Because of free crop insurance based on e-crop, entire notified area has been covered and the claims have been calculated based on the results of the Crop Cutting Experiments and Weather data.

For 2020-21, the Govt released Claim amount of Rs.1748 Cr directly to the Aadhar linked bank accounts of the farmers during the month of May 2021.

For Kharif 2021 a total of 31 Crops have been proposed for coverage under Free Crop Insurance in the State.

#### 4.6 Progress in lending to Cultivators (Tenant Farmers)

Finance extended to tenant farmers through various modes during 2021-22 as on 30.09.2021 is as follows:

(Amt. in Crores)

Target		Mode	Achievement	
Accounts	Amount		Accounts	Amount
359157	4100	CCRC	83485	871.00
		JLGs & RMGs	3868	97.00
		Others	4588	28.35
		Total	91941	996.35
<b>% of Achievement-Amt</b>			<b>24.30%</b>	

(CCRC –Crop Cultivator Right Cards, JLG-Joint Liability Group, RMG-Rythu Mitra Group)

An exclusive SLBC Sub Committee on Agriculture was held on 08.10.2021, where at length deliberations on strategies to improve the tenant farmer lending took place and following action points emerged.

- ❖ Access shall be provided to financing Banks within 15 days to CCRC portal to verify the details of season wise CCRC holders.

Compliance: Dept. has enabled the facility

- ❖ Suitable steps shall be initiated for integration of e-Karshak portal with Loan charge portal. A meeting will be held with concerned service providers within two weeks to discuss about associated issues.

Compliance: Suitable steps have been initiated by the Dept.

- ❖ SOP on JLG finance in consultation with NABARD and group of Bankers is to be formulated for smooth flow of credit to JLGs.

Compliance: SOP has been formulated

- ❖ Banks to open savings accounts and extend finance to JLGs promoted by Agriculture department

Compliance: SLBC has issued suitable instructions to the Banks

- ❖ Department of Agriculture, Govt of AP to extend all sorts of assistance and support to Banks for recovery of overdue agriculture loans.

Compliance: Govt assured for the same

All controlling authorities of Banks are requested to take note of the above action plan and instruct the branches accordingly to improve the lending under Tenant farmer finance.

#### 4.7 Kisan Credit Card (KCC) Scheme: Working Capital for Animal Husbandry and Fisheries

RBI vide reference FIDD.CO. FSD.BC.No. 12/05.05.010/2018-19 dated Feb 4<sup>th</sup> 2019 issued guidelines on KCC facility to Animal Husbandry and Fishery activities to meet their working capital requirements. The SLTC has approved unit cost for Animal Husbandry and Fisheries activities for FY 2021-22.

(Amt. in lakhs)

KCC Sanctions to Animal husbandry and Fishery activities from 01.04.2021 to 30.09.2021.			
Animal Husbandry		Fisheries	
A/c	Amt	A/c	Amt
40476	44027	3972	65463

Ministry of Finance, Department of Financial Services, GoI has been reviewing the progress of issue of KCC to eligible farmers for agriculture and allied activities with the Top Management of all Banks & SLBC Conveners at very frequent intervals .

In order to comply the DFS instructions bank controllers to direct the branches on following lines

##### Fishery Applications:

- ❖ Fishery Department's field staff is submitting physical applications directly to branches and details are being shared by SLBC.
- ❖ Banks to confirm the physical applications received as per the report. If physical applications are not received in full, same is to be updated to SLBC to take up with the department.
- ❖ All the Banks are advised by DFS that the applications received physically should be uploaded in PMFBY portal immediately and act upon them.

##### Animal Husbandry Applications (AH):

- ❖ Applications are applied by farmers through online mode for which details are made available in PMFBY Portal under respective branch and controller login.
- ❖ Banks to update the Branch wise position in the portal, the fact of physical application received/sanctioned/declined etc.

#### 4.8 Doubling of Farmers Income by 2022

NABARD vide Lr no NB.CPD.GCD/1380-1398 dated 30.09.2020 informed that, in consultation with RBI, select SLBCs and other stake holders have developed bench marks/indicators for the monitoring and reviewing the progress on annual basis under doubling of farmers income by 2022. The details are furnished under annexure 31

#### 4.9 Progress in Digitization of Land Records & Loan charge creation module in AP

- ❖ In the state of Andhra Pradesh, with the initiation of GoAP in coordination with NIC, banks were provided with the facility of online viewing the digitalized land records from their branches and NIC has provided user IDs and passwords for banks in this regard. Further, the Loan charge creation module website has been made operational to enable the banks to create charge on the land.
- ❖ Banks have made Charge Creation for 51,01,102 loan accounts in the AP webland portal as on 30.09.2021 and charges were approved for 48,29,433 loan accounts.
- ❖ Member Banks are requested utilise the platform effectively to curb the menace of multiple bank finance on same piece of land and finance against the fake lands.

#### 4.10 Identification of gaps in Rural and Agriculture Infrastructure which need Financing

- ❖ There is a big gap in the requirement of storage space (both dry and cold storage) and actual. Creating proper storage infrastructure to reduce the demand-supply gap.
- ❖ Creating drying platforms for drying paddy grain to facilitate the preparation of the field for the next crop
- ❖ Rejuvenation of existing minor irrigation structures
- ❖ Provision of drum seeders, mechanized multi cultivator to increase the production of various crops
- ❖ Improving the post-harvest infrastructure for maize. Promotion of mini millet processing units in tribal and other regions.
- ❖ Special thrust on horticulture mechanisation,
- ❖ To encourage the establishment of custom hiring centres for SF/MF and to manage the distribution of farm machinery under cooperative mode
- ❖ Financing term loan requirements of farmer groups viz. FPO, JLG, RMG, etc. for promoting investment in agriculture.
- ❖ Encouraging progressive agripreneurs to set up Agri-Clinics and Agri Business Centres in rural areas for providing extension services and technology transfer to farmers.
- ❖ Establishment of seed processing units, organic fertiliser units, soil testing laboratory etc
- ❖ Setting up model polyhouses, hi-tech nurseries and tissue culture labs in KVKs to educate the visiting farmers.
- ❖ Post-harvest management viz., cleaning, grading, pack houses, etc.
- ❖ Increasing number of Mobile Veterinary Clinics
- ❖ Encouraging Broiler Farming under contract farming with hatcheries & marketing of broiler meat
- ❖ Infusion of the latest technology for promotion of by-products or value addition

## AGENDA 5 – FLOW OF CREDIT TO MICRO, SMALL & MEDIUM ENTERPRISES (MSME Sector)

### 5.1 Outstanding Position of lending under MSME sector as on 30.09.2021

(Amt.in Crores)

Particulars	31.03.2019		31.03.2020		31.03.2021		30.09.2021	
	A/cs.	Amt.	A/cs.	Amt.	A/cs.	Amt.	A/cs.	Amt.
Micro Enterprises	1199612	26514	1171145	28533	1500375	30765	1488527	32884
Small Enterprises	142150	24884	148178	23589	105316	22663	109208	23560
Total MSE	1341762	51398	1319323	52122	1605691	53428	1597735	56444
% of Micro to MSE	89.41%	51.59%	88.77%	54.74%	93.44%	57.58	93.16%	58.26%
Medium Enterprises	8920	6627	12586	5951	17467	8555	16848	10003
<b>Total MSME</b>	<b>1350682</b>	<b>58025</b>	<b>1331909</b>	<b>58073</b>	<b>1623158</b>	<b>61983</b>	<b>1614583</b>	<b>66447</b>

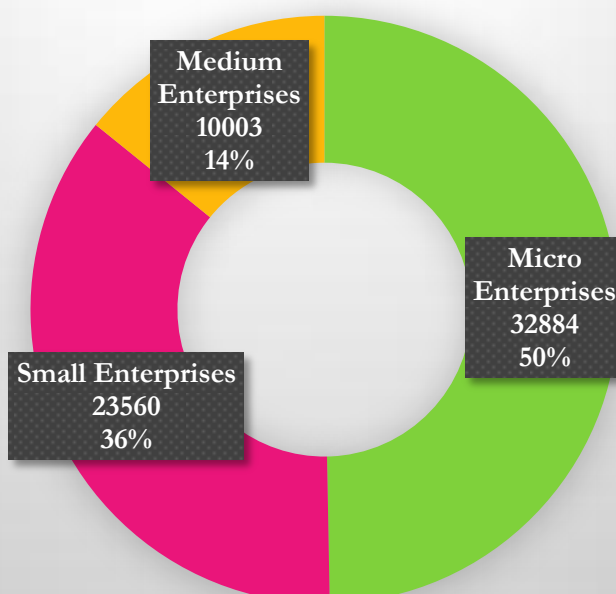
### 5.2 Disbursements under ACP 2021-22 for MSME sector

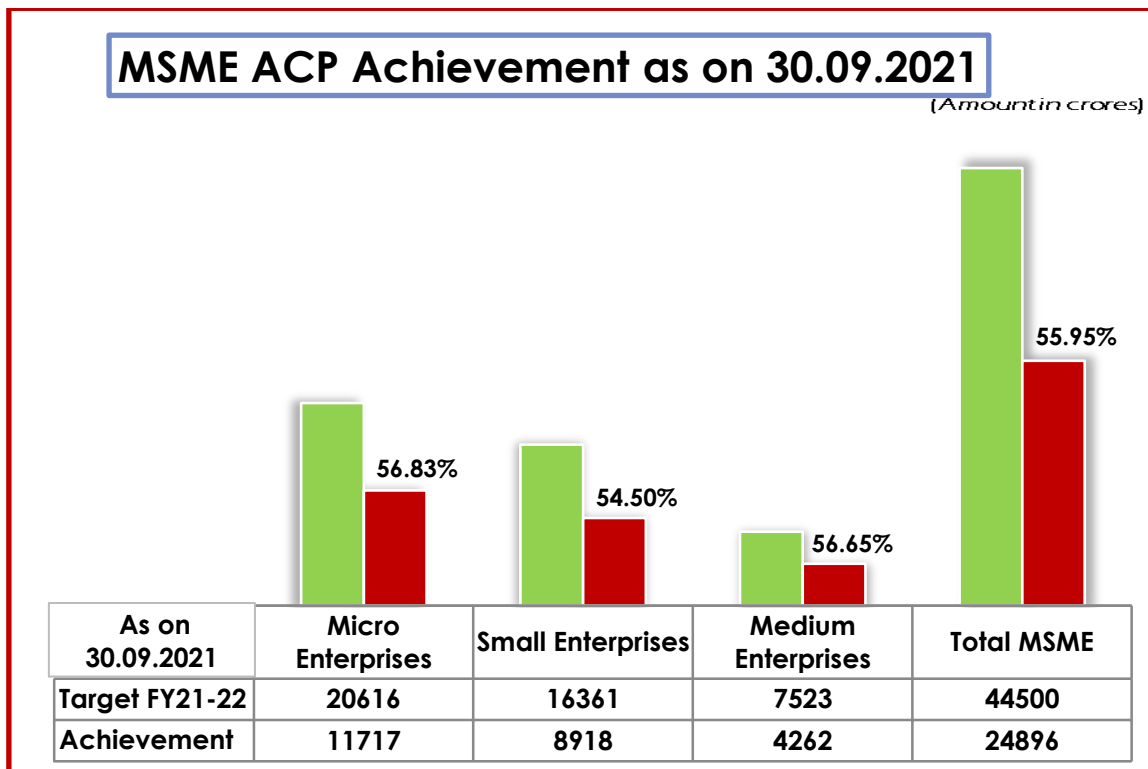
(Amt. in Crores)

Sector	Target 2021-22	Achievement (Disbursements during 01.04.2021 to 30.09.2021)	% of Achievement
Micro Enterprises	20616	11717	56.83
Small Enterprises	16361	8918	54.50
Medium Enterprises	7523	4262	56.65
<b>Total MSME</b>	<b>44500</b>	<b>24896</b>	<b>55.95</b>

### MSME Outstanding position as on 30.09.2021

(Amount in crores)





### 5.3 Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances

In view of the uncertainties created by the resurgence of the Covid-19 pandemic in India, RBI has extended the restructuring of advances to the MSME borrowers' facility for restructuring existing loans without a downgrade in the asset classification subject to certain guidelines.

- MSME borrower with aggregate exposure including NFB facilities of all lending institutions to the borrower  $\leq$  25.00 Crs.
- The borrower should be classified as MSME
- Registration with GST, other than exempted entities. (if not registered, shall be registered with GST on implementation of restructure)
- Standard Asset
- Not restructured in terms of earlier guidelines.
- Invocation of restructure to be completed on or before 30.09.2021.
- Restructuring of the borrower account should be implemented within 90 days from the invocation

The Progress up to 30.09.2021 is furnished hereunder:

Loans up to Rs.10 Lakhs				Loans above Rs.10 Lakhs				Total			
I. Eligible A/cts for Restructuring as on 31.03.2021 (As per RBI new Guidelines)		Out of Eligible A/cts restructured upto 30.09.2021		I. Eligible A/cts for Restructuring as on 31.03.2021 (As per RBI new Guidelines)		Out of Eligible A/cts restructured upto 30.09.2021		I. Eligible A/cts for Restructuring as on 31.03.2021 (As per RBI new Guidelines)		Out of Eligible A/cts restructured upto 30.09.2021	
A/c	Amt	A/c	Amt	A/c	Amt	A/c	Amt	A/c	Amt	A/c	Amt
763396	12773	166709	2418	66880	34460	12210	5558	830276	47232.54	178919	7976.65

- Total Eligible accounts for restructuring are 8,30,276. Out of this 22% accounts (1,78,919) are restructured.

## 5.4 PM's Task Force –Recommendations

Recommendations	Norm %	Sep-21 %	Mar-21 %
Banks are advised to achieve a 20 % year-on-year growth in credit to micro and small enterprises (Sep 20 to Sep 21)	20%	10.84%	2.50%
MSE as on Sep 20- Rs.50923 cr			
MSE as on Sep 21- Rs.56444 cr			
10 % annual growth in the number of micro enterprise ac/s (Sep 20 to Sep 21)	10%	22.39%	28.11%
No. of Micro Ent. as on Sep 20 - 1216224			
No. of Micro Ent. as on Sep 21- 1488527			
60 % of total lending to MSE sector as on corresponding quarter of the previous year to Micro enterprises.	60%	64.58%	59.02%
MSE as on Sep 20-Rs.50923 cr			
Micro Ent. as on Sep 21-Rs.32884 cr			

As per the resolution of the 60<sup>th</sup> EC on MSME meeting, SLBC has conducted a detailed study of the last 5 years performance under the PM Task Force for MSME. In this regard SLBC conducted a meeting with major banks along with historical data on PM Task force performance by those banks to brainstorm the issues/concerns faced at the field level which are hampering the achievement of the task force recommendations and suggestions for improvement. The views/suggestions emanated in the meeting are summarized hereunder.

- ❖ Staff apprehension because of high probability of default on account of liberalized collateral norms.
- ❖ Reluctance at field level sanctioning authorities due to annual renewal of MSME OD/CC accounts which is a herculean task to fulfill.
- ❖ Concern in data accuracy due to extraction from CBS where the authenticity of data will be dependent on assignment of correct BSR codes.
- ❖ Statutory requirements like Udyami Registration Certificate is mandatory to classify the accounts under MSME segment where small ticket size accounts are out of the umbrella. (Canara Bank)
- ❖ Shifting of accounts to specialized asset recovery branches to other State Headquarters (Indian Bank)
- ❖ Data aggregation challenge due to merger of CBS of amalgamating banks.
- ❖ Cumbersome procedures for processing and sanction of loans, e.g. referring the MSME proposals to back-end processing centers delaying the sanction process.
- ❖ Restrictions on delegation powers of the field level branch managers.

Following suggestions were made by the banks:

- ❖ Collateral free loans up to Rs 20 lakh for beneficiaries of NRLM scheme similar to NULM.
- ❖ Liberalized sanctioning powers to field level
- ❖ Simplified processing norms, documents, processing.
- ❖ Lead generation facility by the Govt machinery, e.g. district wise cluster database etc.
- ❖ URC awareness camps may be conducted through government agencies for traders/entrepreneurs etc



## 5.5 Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) Scheme

S. No	Year	Proposals covered during the year	
		No. of A/cs.	Amount (in Crs.)
01	2015-16	18514	384.55
02	2016-17	13909	385.43
03	2017-18	10136	340.87
04	2018-19	28152	795.43
05	2019-20	15168	511.90
06	2020-21	148452	1134.01
07	Sep-21	18826	385.11

### Status of Claims settled:

(Amt. in crores)

CGTMSE of ANDHRA PRADESH (Claims settled)		
FY	Number	Settled Amount
2019-20	264	4.60
2020-21	288	6.80
Sep-21	112	1.60

Banks are requested to cover the all eligible loans including Loans of Jagananna Thodu under CGTMSE

## AGENDA 6 – FLOW OF CREDIT TO OTHER PRIORITY SECTOR

### 6.1 Housing Loans

Position of Housing Loans as on 30.09.2021

(Amt.in Crores)

Year	Total Outstanding		Disbursements	
	No. of A/cs	Amount	No. of A/cs	Amount
2017-18	283326	22223	51189	4526
2018-19	300835	24371	86449	6451
2019-20	335840	28385	39758	3542
2020-21	289914	27546	80967	4372
Sep 21	321951	28782	27123	1618

### 6.2 Education Loans

#### 6.2.1 Position of Education Loans as on 30.09.2021:

(Amt.in Crores)

Year	Total Outstanding		Disbursements	
	No. of a/c s	Amount	No. of a/cs	Amount
2017-18	109144	4036	27637	656
2018-19	104597	3968	35779	796
2019-20	77983	3963	15611	478
2020-21	92827	4055	35198	901
Sep 21	87791	4227	18298	320

### 6.2.2 Education Loan to SCs/STs/OBCs for the year 2021-22 (as on 30.09.2021):

(Amt. in Crores)

SCs						STs						OBCs					
Loan Disbursed During FY22 upto 30.09.2021		Loan Outstanding as on 30.09.2021		NPA as on 30.09.2021		Loan Disbursed During FY22 upto 30.09.2021		Loan Outstanding as on 30.09.2021		NPA as on 30.09.2021		Loan Disbursed During FY22 upto 30.09.2021		Loan Outstanding as on 30.09.2021		NPA as on 30.09.2021	
A/Cs	Amt	A/Cs	Amt	A/Cs	Amt	A/Cs	Amt	A/Cs	Amt	A/Cs	Amt	A/Cs	Amt	A/Cs	Amt	A/Cs	Amt
765	39	5502	262	487	12	319	15	2023	130	130	3	1975	86	15992	892	776	17

### 6.3 Export Credit, Social Infrastructure, renewable energy & Others

Outstanding position of finance under Export Credit, Social Infrastructure, renewable energy & Others as on 30.09.2021 are placed under. (Amt in Crores)

FY	Export Credit	Social Infrastructure	Renewable Energy
2018-19	542.97	69.27	34.86
2019-20	692.01	28.66	37.71
2020-21	459.78	52.9	32.90
Sep-21	460.87	43.62	50.87

#### State Government intervention to create avenues for Agri Export Financing:

The infrastructure development plan of State Government viz. setting of food processing parks, fishing harbors, SEZ, SPV, the establishment of green airports, horticulture hubs and integrated logistic parks need to be implemented in a time-bound manner.

- ❖ Public investments in mega food parks, last-mile connectivity and composite cold chain components may be supported through consortium funding.
- ❖ Avenues may be explored to incentivize investments in export oriented infrastructure to attract private investments, encourage innovation and ensure best practices.
- ❖ Support investment in infrastructure under Sector-specific strategies of State Government giving a boost to fishery and horticulture exports.
- ❖ The convergence of support schemes under Agricultural and Processed Food Products Export Development Authority (APEDA) and Marine Products Exports Development Authority (MPEDA).
- ❖ Finance for Agricultural products with global value chains may be given priority.
- ❖ Sector-specific district-level strategies may be aligned to boost finance for fishery and horticulture exports with the participation of FPOs.
- ❖ Providing direct term loans to export-oriented food processing units in Designated Food Parks (DFPs).
- ❖ banks to explore the possibility to open Forex branches in the district exclusively to cater services to exporters.
- ❖ The banks should put in place a control and reporting mechanism for export credit.

**Social Infrastructure:** Social Infrastructure Involving Bank Credit Creation of social infrastructure was mainly in the domain of public investments. Growing population and the increasing demand for better educational infrastructure, health care and drinking water facilities led to private investments in these sectors, resulting in the establishment of a host of

private educational institutions, hospitals, drinking water plants, etc. The available infrastructure in the State, especially private infrastructure, is heavily concentrated in few places and the facilities are still not accessible in remote areas.

- ❖ Bankers to focus for credit support to the social infrastructure activities to fill the potential gap

#### Renewable Energy:

- ❖ The role of new and renewable energy has assumed significance in recent times with the growing concern for the country's energy security. Andhra Pradesh has emerged as one of the leading states for renewable energy installations in recent years. As per AP Solar Power Policy 2018, AP promotes solar parks with an initial capacity of 4,000 MW. Besides, 34 locations in AP have been identified and notified by Gol for installing wind power projects. As per the assessment of MNRE, the estimated gross potential is 44,229 MW in the State.
- ❖ Banks can also focus on encouraging more use of solar pump-sets. Proactive financing of solar home lighting system, water heating system & solar pumping system. Extending support for solar street lighting and solar fending through subsidy schemes.

#### 6.4 Credit Flow to Minority Communities, Weaker Sections, Women and SC/STs (outstanding) (Amt in Crores)

S.No.	Year ended	Weaker sections	Women	Minority communities	SC/ST
1	March 2018	68259	44602	14195	12754
2	March 2019	91243	47548	15567	14733
3	March 2020	90624	49848	15477	15791
5	March 2021	95526	51127	21469	18689
6	Sep 2021	106710	90920	14658	25744
Stipulation		10% of ANBC	5% on ANBC		
% of Achievement for Mar 21		20.20%	12.57%	--	---

RBI vide Master Circular dated April 05,2021 issued consolidating guidelines / Instructions / directions to banks with regard to providing credit facilities to Scheduled Castes (SCs) and Scheduled Tribes (STs).

- Banks should advise their branches to organize meetings more frequently exclusively for SC / ST beneficiaries to understand their credit needs and to incorporate the same in the credit plan.
- Rejection of loan applications in respect of SCs / STs should be done at the next higher level instead of at the branch level and reasons of rejection should be clearly indicated.

All controlling authorities of the of Banks advised to go through the above circular for full details and take cognisance of the RBI directions to improve the lending to Scheduled Castes (SCs) and Scheduled Tribes (STs).

All scheduled commercial banks are required to ensure that within the overall target for priority sector lending, the sub-target of 10 per cent for the weaker sections is to be achieved, and sufficient care is taken to ensure that minority communities also receive an equitable portion of the credit.

## AGENDA 7 - OVERDUES/NPAs

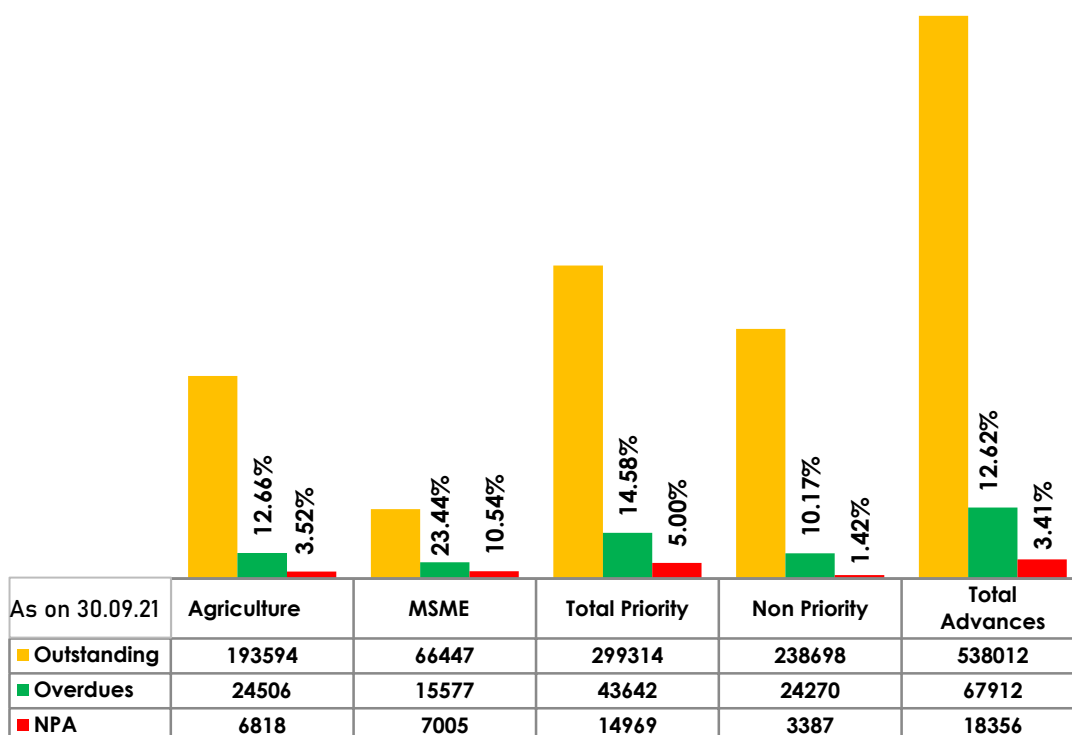
### Position of Overdues/NPAs under various sectors as on 30.09.2021

(Amt. in Crores)

S No	Sector	2018-19					2019-20				
		O/S Amt	OD Amt	% OD	NPA	% NPA	O/S Amt	OD Amt	% OD	NPA	% NPA
1	ST crop Pro	98078	26474	26.99%	2613	2.66%	104940	24359	23.21%	3338	3.18%
2	ATL	41956	5308	12.65%	1730	4.12%	45630	6431	14.09%	1825	4.00%
3	Agriculture	149264	32753	21.94%	4730	3.17%	157490	31999	20.32%	5621	3.57%
4	MSME Sector	58025	11917	20.54%	3091	5.33%	58074	14207	24.46%	4363	7.51%
5	Housing Loans	24371	5880	24.13%	326	1.34%	28502	7337	25.74%	481	1.69%
6	Edu. Loans	3968	735	18.52%	157	3.96%	3973	702	17.67%	132	3.32%
7	Priority Sector	240220	51720	21.53%	8436	3.51%	251423	54521	21.68%	10764	4.28%
8	Non Priority sec	157130	10572	6.73%	3183	2.03%	182837	30474	16.67%	3645	1.99%
9	Total Advances	397350	62292	15.68%	11618	2.92%	434261	84995	19.57%	14409	3.32%
10	SHGs	27451	2075	7.56%	359	1.31%	28872	1741	6.03%	336	1.17%
11	Central Govt. Sponsored Schemes	22901	2783	12.15%	584	2.55%	29036	7030	24.21%	1823	6.28%
12	State Govt. Sponsored Schemes	11148	2218	19.90%	462	4.14%	16550	3416	20.60%	1309	7.90%
S No	Sector	2020-21					Sep-21				
		O/S Amt	OD Amt	% OD	NPA	% NPA	O/S Amt	OD Amt	% OD	NPA	% NPA
1	ST crop Pro	122196	25656	21.00%	2780	2.27%	134284	16441	12.24%	4148	3.09%
2	ATL	57121	5651	9.89%	1802	3.16%	53097	7206	13.57%	2284	4.30%
3	Agriculture	184585	31920	17.29%	4906	2.66%	193594	24506	12.66%	6818	3.52%
4	MSME Sector	61984	13223	21.33%	4550	7.34%	66447	15577	23.44%	7005	10.54%
5	Housing Loans	27546	1742	6.32%	458	1.66%	28782	2656	9.23%	793	2.76%
6	Edu. Loans	4055	489	12.05%	100	2.46%	4227	547	12.95%	158	3.73%
7	Priority Sector	282585	47686	16.88%	10160	3.60%	299314	43642	14.58%	14969	5.00%
8	Non Priority sec	220490	23711	10.75%	4265	1.93%	238698	24270	10.17%	3387	1.42%
9	Total Advances	503075	71398	14.19%	14425	2.87%	538012	67912	12.62%	18356	3.41%
10	SHGs	30644	2161	7.05%	271	0.88%	568	2726	479.67%	15	2.67%
11	Central Govt. Sponsored Schemes	24102	1643	6.82%	794	3.29%	23896	1675	7.01%	834	3.49%
12	State Govt. Sponsored Schemes	18654	3540	18.98%	1654	8.87%	19103	3421	17.91%	1704	8.92%

### Sector wise Overdues & NPA as on 30.09.2021

(Amount in crores)



## AGENDA 8 - LENDING TOWARDS GOVERNMENT SPONSORED SCHEMES

### 8.1 Government of India Schemes

#### 8.1.1 Stand up India Scheme:

Performance under Stand Up India as on 13.10.2021									
Type of Bank	SC/ST			Women			Total		
	Target	A/cs Sanct.	% of Achvt	Target	A/cs Sanct.	% of Achvt	Target	A/cs Sanct.	% of Achvt.
Public Sector Banks	4738	1250	26.38%	4738	4131	87.19%	9476	5381	56.79%
Private Sector Banks	697	191	27.40%	697	533	76.47%	1394	724	51.94%
RRBs	939	61	6.50%	939	230	24.49%	1878	291	15.50%
Total	6374	1502	23.56%	6374	4894	76.78%	12748	6396	50.17%
Mar 21	6029	1434	23.79%	6029	4681	77.64%	12058	6115	50.71%

(Source: SIDBI)

### 8.1.2 Pradhan Mantri MUDRA Yojana (PMMY):

Progress as on 22.10.2021 in the state of Andhra Pradesh.

(Amt. in Crores)

Type of Bank	Target	Disbursement from 01.04.2021 to 22.10.2021			Total	% of Achvmt
		Shishu	Kishore	Tarun		
Public Sector Banks	6878	156.01	1217.16	1569.47	2942.64	42.78%
Private Sector Banks	1085	62.79	209.72	180.21	452.72	41.72%
RRBs	2875	99.84	555.55	704.77	1360.16	47.31%
Others	-	94.89	3.02	1.43	99.34	NA
<b>Total</b>	<b>10838</b>	<b>413.53</b>	<b>1985.46</b>	<b>2455.87</b>	<b>4854.86</b>	<b>44.79%</b>
Mar 2021	8464	1423	4901	5116	11440	135.16%

(Source: www.mudra.org.in)

### 8.1.3 Category-wise percentage Performance under PMMY in the State of Andhra Pradesh during FY 22:

Category	As on 22.10.2021			
	No Of A/Cs	Sanctioned Amt	Disbursement Amt	Outstanding Amt
General	44%	60%	59%	58%
SC	20%	13%	13%	12%
ST	8%	5%	5%	5%
OBC	28%	22%	23%	25%
Total	100%	100%	100%	100%
Out of Above				
Women Entrepreneurs	69%	46%	47%	46%
New Entrepreneurs/ Accounts	10%	20%	19%	18%
Minority	13%	10%	10%	10%
PMJDY OD Account	1%	0%	0%	0%

### 8.1.4 Handloom Weavers – Mudra Scheme:

Progress on implementation of Micro Units Development and Refinance Agency (MUDRA) scheme to the Handloom Weaver & Weaver Entrepreneurs in the state of Andhra Pradesh upto September , 2021 is as under:

(Amt. in Lakhs)

Target Allocated		Total No. of applications forwarded to the bank		No. of Applications sanctioned		No. of applications disbursed		No. of applications pending	
Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin
30000	15000	2162	1195.35	1269	1110.40	1269	1110.40	893	84.95

(Source: Handlooms & Textiles Department)

All Controlling authorities of Banks are requested to issue suitable instructions to concerned branches to dispose the pending applications immediately.

### 8.1.5 Atmanirbhar Nidhi - PMSVANidhi (Special Micro-Credit Facility Scheme for providing affordable loan to street vendors):

Ministry of Housing and Urban Affairs, Gol has launched PM Street Vendors Atma Nirbhar Nidhi (PM SVANidhi), a Special Micro-Credit Facility Scheme for providing affordable loan to street vendors to resume their livelihoods that have been adversely affected due to Covid-19 lockdown, and the guidelines are issued by the Ministry.

Status of Report on Loan Sanctions as on 23.11.2021 (online portal)

Total Applications received	Total Sanctions	Pending for sanctions	Total Disbursement	Pending for Disbursement
218832	195162(89.18%)	23670(10.82%)	182831(83.55%)	12331(5.64%)

(Source : Udyamimitra Portal)

Ministry of Housing & Urban Affairs , Gol issued guidelines for the 2ndtranche of loan under PM SVANidhi. As per the guidelines beneficiaries who fully paid their first loan are eligible for second loan to the min amount of Rs. 15,000 repayable in 18 months and all eligible for the int. subvention @ 7% upto 31.03.22.

Member Banks are requested to ramp up the performance and also report the offline sanctions through the portal to reflect factual position.

### 8.1.6 Prime Ministers Employment Generation Programme (PMEGP):

Target & Achievement under PMEGP for the year 2021-22 (as on 30.09.2021)

(Amt. in Lakhs)

S No	Name of the Org.	Target 2021-22			Achievement			% Achievement		
		No. of project	Margin Money	Emp.	No. of project	Margin Money	Emp.	No. of projects	Margin Money	Emp.
1	KVIC	774	2332	6192	81	392.49	648	10.47	16.83	10.47
2	KVIB	938	2814	7504	282	1273.2	2256	30.06	45.25	30.06
3	DIC	1231	3693	9848	498	1997.52	3984	40.45	54.09	40.45
Grand Total		2943	8839	23544	861	3663.21	6888	29.26	41.44	29.26

(Source: KVIC Hyderabad)

All Controlling authorities of Banks are requested to dispose the pending application in KVIC online portal immediately strictly adhering to the timelines provided.



### 8.1.7 Deendayal Antyodaya Yojana – National Urban Livelihoods Mission (DAY – NULM) Scheme:

**Progress on SEP (Individual) and SEP (Groups) for the financial year 2021-22 as on 30.09.2021**  
(Amt.in Crores)

S. No	Programme	Target		Achievement		% of Achievement	
		Physical	Financial	Physical	Financial	Physical	Financial
1	SEP (Individual)	5000	50.00	1965	18.93	39.30	37.85
2	SEP (Groups)	100	3.00	50	4.25	50.00	141.63

(Source: MEPMA)

### 8.1.8 PMFME (PM Formalisation of Micro Food Processing Enterprises Scheme):

This scheme is a centrally sponsored scheme. This is designed to address the following challenges faced by micro enterprises

- Lack of innovation skills
- Lack of access to modern technology
- Lack of food safety control systems
- Lack of branding & marketing.

It is planned to extend assistance for 2,00,000 micro food processing units directly through Credit linked subsidy. The scheme envisages an outlay of Rs. 10,000 crore over a period of five years from 2020 -21 to 2024-25. The Scheme adopts One District One Product (ODOP) approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. The eligible members under this scheme are Individual micro food processing, SHGs/FPOs. Units would be provided credit-linked capital subsidy @35% of the eligible project with beneficiary contribution of 10% of the project cost.

The lending position of the scheme is furnished here under.

PMFME Data as on 03.11.2021		
Applications Submitted in Portal	Loan Sanctioned	Pending with Lending Bank
451	136	315

- Banks are requested to accord suitable action on pending applications  
(Bank wise Position placed as Annexure 24)

### 8.1.9 Financing facility under 'Agriculture Infrastructure Fund':

The Hon'ble Finance Minister announced on 15.05.2020 Rs 1 lakh crore Agri Infrastructure Fund for farm-gate infrastructure for farmers. Financing facility of Rs. 1,00,000 crore will be provided for funding Agriculture Infrastructure Projects at farm-gate & aggregation points. The scheme will facilitate setting up and modernization of key elements of the value chain including Post Harvest Management Projects. The Scheme will be operational from 2020-21 to 2029-30. Disbursement in four years starting with sanction of Rs. 10,000 crore in the first year and Rs. 30,000 crore each in next three financial years. Moratorium for repayment under this financing facility may vary subject to minimum of 6 months and maximum of 2 years. All loans under this financing facility will have interest subvention of 3% per annum up to a limit of Rs. 2 crore. This subvention will be available for a maximum period of 7 years.

Credit guarantee coverage will be available for eligible borrowers from this financing facility under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme for a loan up to Rs. 2 crore. The fee for this coverage will be paid by the Government.

The lending position of the scheme as on 12.11.2021 is furnished here under:

(Amt. in Crores)

SN	Lending Institutes	Applications Verified by PMU (No)	Applied Loan amount	Sanctioned by LI				Rejected By LI (No.)	Pending at LI	
				Sanctioned (No.)	Sanctioned	Disbursed (No.)	Disbursed		No.	Amount
1	State Bank of India	45	68.5	7	4.8	6	3	33	5	13.2
2	Canara Bank	21	39.4	15	24	14	9.9	3	3	2.3
3	Union Bank of India	14	15.3	7	6.9	6	5.6	6	1	0.3
4	Karur Vysya Bank	12	47.6	6	10.5	3	3.4	0	6	28.8
5	Bank Of India	7	11	7	6.9	5	7.6	0	0	0
6	Punjab National	6	4.3	3	1.5	1	1	1	2	1
7	Karnataka Bank	6	11.9	0	0	0	0	0	6	11.9
8	Central Bank of	5	5.5	2	0.7	1	0.1	1	2	2.8
9	Indian Bank	5	13.3	2	3.9	2	6.6	3	0	0
10	HDFC Bank	4	18.5	1	1	0	0	0	3	17.5
11	Bank Of Baroda	3	3	0	0	0	0	2	1	0.4
12	NABKISAN Finance	3	0.4	2	0.3	1	0.1	0	1	0.1
13	Axis Bank	3	11.2	0	0	0	0	1	2	3
14	Kotak Mahindra	1	2	1	2	0	0	0	0	0
Grand Total		135	252	53	63	39	37	50	32	81

Source: Consultant AIF-PMU

### 8.1.10 Atmanirbhar Bharat Abhiyan Economic Package:

Hon'ble Prime Minister of India on May 12, 2020 announced Atmanirbhar Bharat Abhiyan Economic Package (Self Reliant India Mission) to revive the Indian Economy, to help farmers, migrant workers and to revive the industrial sector. There are certain relief measures under the package to be implemented through banks, of that ECLG is one, whose progress as on 30.09.2021 is furnished.

(Amount in crores)

Eligible		Sanctioned		Disbursed		Opted out		% of sanctions	% of disburs	% opted out
No.	Amt	No.	Amt	No.	Amt	No.	Amt			
324739	7081.22	250206	6005.88	152783	5171.96	66133	611.21	84.81%	73.04%	8.63%

Credit Guarantee Scheme for subordinate debt progress as on 30.09.2021

(Amount in crores)

Eligible accounts		Cumulative Sanctions		Cumulative Disbursals		Customers opted out	
No.	Amt	No.	Amt	No.	Amt	No.	Amt
1376	888.47	386	90.55	385	81.86	243	228.3

## 8.2 State Government Sponsored Schemes

### 8.2.1 YSR Cheyutha Scheme- Bank finance for Beneficiaries :

- As part of economic empowerment of women, Govt of AP has introduced “YSR CHEYUTHA scheme“.
- SLBC had formulated SOP to extend finance under the scheme.
- Banks are extending credit support to meet cost gap of their opted livelihood activity
- Govt had developed an exclusive portal to monitor the progress in real time.

The position of Bank finance for AH activity:

Dairy			Sheep & Goat		
Appl. Received	Sanctions(A/cs)	Grounded	Appl. Received	Sanctions(A/cs)	Grounded
43668	26916(62%)	22543(84%)	32889	23148(70%)	20440 (88%)

Member Banks are requested to expedite the loan sanction under the captioned scheme as per eligibility.

For retail activity 100 % applications were provided with Bank credit support.

The Bank wise progress for retail activity is as under

No of Applications submitted to Banks(retail)	Grounded	Amount(lakhs)
35152	35152(100%)	19685

### 8.2.2 Jagananna Thodu Scheme:

Government of Andhra Pradesh has introduced the scheme to handhold the Chiruvyaparulu, artisans and people engaged in handicraft works both from rural and urban areas. The scheme was launched by Hon'ble Chief Minister on 25.11.2020.

Banks have disbursed 4.20 lakhs Loans under Phase I and 3.37 lakhs under Phase II. As per the State Government announcement of interest reimbursement facility, Govt reimbursed Rs 16.36 Cr for 4.50 lakh eligible beneficiaries towards interest charged upto Sep2021.

Banks are requested to expedite the interest claim submission to government regularly on quarterly basis

### 8.2.3 YSR Jagananna Nagar :

Government of AP is implementing Pedalandariki Illu under Navaratnalu as a flag ship program to provide 30.75 lakh pacca houses to homeless poor families in the State including the Pradhan Mantri Awas Yojana (Urban) - AHP, G+3 houses in three categories - 300 sft, 365 sft & 430 sft type of houses. These houses are under construction by the APTIDCO. Officially the existing name i.e TIDCO Colonies changed as PMAY (U) - YSR JAGANANNA NAGAR .

Government further decided that Bank finance to be extended to only those beneficiaries who opted for 365 sft and 430 sft category houses under captioned scheme and to allot the 300 sft houses to beneficiaries at a nominal amount of Rs.1/- (One Rupee) only. As such for 1.19 lakh houses of 365 sft and 430 sft category houses, target for Bank finance was approved in SLBC Sub Committee meeting held on 20.11.2020 & communicated to the banks.

## Revised Financial Sharing Pattern for the APTIDCO Units

(Amt. in Lakhs)

Unit type (in sft)	Cost of the Unit	Govt of India Share	Benfic Contribution	Bank loan	Govt of AP Share(Including Infra)
300	6.55	1.50	1(Rs)	0.00	5.05
365	7.55	1.50	0.25	3.15	2.65
430	8.55	1.50	0.50	3.65	2.90

AP-TIDCO is implementing Agency & MEPMA has been supporting the Banks at field level for speedy disbursement of loans.

The lending progress under the scheme is as under

(Amt. in crores)

Applications Submitted to Banks		Sanctions By Banks		Disbursements	
A/Cs	Amt	A/Cs	Amt	A/Cs	Amt
65433	1962.99	14970	449.10	8660	151.23

## 8.2.4 Progress under SHG-Bank linkage: as on 30.09.2021:

(Amt. in Crores)

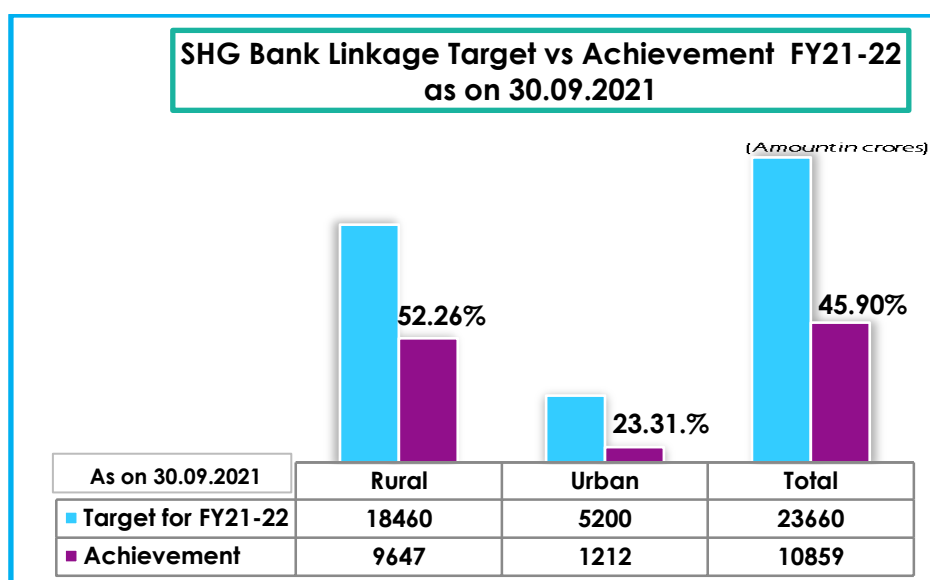
Year	Rural SHG			Urban SHG			Total		
	Target	Disb		Target	Disb		Target	Disb	
		No.	Amt.		No.	Amt.		No.	Amt.
2019-20	14119	522064	17395	2700	102175	4876	16819	624239	22271
2020-21	15084	653275	16101	1421	102723	4522	16505	755998	20623
2021-22	18460	197387	9647	5200	19742	1212	23660	217129	10859

## Takeover of SHGs between banks - Issues

LDM Guntur represented to SLBC that GDCC Bank is carrying out forcible takeovers of SHGs from major banks in the district. The takeovers are being carried out without any prior intimation and without obtaining NOC from the banks, which is in gross violation of RBI norms. Also, it is observed that in most cases, GDCC has lent to SHGs in violation of the 5 basic principles of lending.

The matter was already escalated to the notice of the District Collector where he has issued an advisory to the banks prohibiting unethical transferring of SHG accounts from one bank to another without consent from the SHG members and the existing bank. Despite the Collector's advisory the practice is continuing unabated.

The forum may discuss and recommend a suitable SOP on shifting of SHG loan accounts from one bank to another avoiding unhealthy competition between banks.



## AGENDA 9- DISCUSSION ON POLICY INITIATIVES OF THE CENTRAL / STATE GOVERNMENT / RBI

### 9.1 Revamp of Lead Bank Scheme

Developing a Standardized System for data flow and its management by SLBC Convener Banks on SLBC websites.

RBI in its circular FIDD.CO.LBS.BC.No.19/02.01.001/2017-18 dt. April 6, 2018 on Revamp of Lead Bank Scheme, advised SLBC Convener Banks to develop a standardized system on the websites maintained by each SLBC to enable uploading and downloading of the data pertaining to the Block, District as well as the State by the member banks.

As on date except 2 RRBs and APCOB all other Banks have on boarded on to the new portal.

### 9.2 Credit Outreach Campaign during Festive Season

Department of Financial Services vide their letter F.No. 21 {23} / 2014 -FI (Mission Office) dated 11.10.21 has advised Banks to take necessary steps to increase sanction and disbursement under the schemes viz., PMMY, SUI, PMSVANidhi, ECLGS, AIF, PMEGP, Atmanirbhar Bharat and other State Schemes during the festive season.

Banks were also urged to tie up with FinTechs and NBFCs for bringing in innovation and technology while deepening of the FI ecosystem by on-boarding small ticket size borrowers.

The Credit Outreach Programmes have been conducted in 13 districts in our state by respective lead district Bank during the period 12<sup>th</sup> Oct to 06<sup>th</sup> Nov '2021. Adequate publicity has been done by the convener Bank in this regard including bringing out brochures, booklets and various posters depicting the features, benefits, etc. of the said schemes. These measures have helped in creating awareness amongst the Public for such schemes. The local District Administration and public representatives also participated in the programmes.

The Progress of Credit Outreach Camps is as placed under: (Amt. in Crores.)

Retail Loans		Business Loans		Agriculture Loans		Total	
A/Cs	Amount	A/Cs	Amount	A/Cs	Amount	A/Cs	Amount
75265	2808	61054	2820	229684	3873	366003	9501

## AGENDA 10 - FINANCIAL INCLUSION

### 10.1 National Strategy for Financial Inclusion – NSFI – 2019-2024

RBI advised all Banks to proactively take action for implementation of the various recommendations under National Strategy for Financial Inclusion (NSFI) 2019-24 as part of strengthening ecosystem for digital financial services, capacity building of BCs, access to livelihood and skill development programmes to new entrants into banking system, strengthening internal grievances mechanism etc. RBI observed that, some of action plans and milestones articulated in the NSFI document while for implementation may have to be initiated at the Head Office/ Corporate office level, state heads of banks may critically review the recommendations and forward item-wise status note to SLBC Convener Bank on the action taken/proposed to be taken by them on the various action points and milestones. SLBC Convener Bank was advised to consolidate the feedback from all banks, discuss the position in the sub-committee meetings and evolve appropriate strategy for implementation in line with the milestones outlined in the NSFI document.

**National Strategy for Financial Inclusion 2019-24: Major Mile stones and time lines**

Action Plan and Milestone	Present position
Banking outlet within 5 Km radius of every village and hamlet of 500 households in case of hilly terrain by <b>March 2020</b>	<p>DFS has identified 243 villages without banking outlets within 5 kms and 334 hamlets in Hilly terrains were also identified by LDMs.</p> <p>All the identified villages have been covered with Banking infrastructure by appointing BCs through the Banks serving in those villages.</p>
Strengthen ecosystem for various modes of digital financial services in tier -II to tier-VI centres to create necessary infrastructure to move towards less cash society by March 2022.	<p>Under phase I YSR Kadapa district was identified and achieved the 100% digital penetration as per the parameters suggested by RBI.</p> <p>Under Phase II Guntur and Srikakulam districts were selected for the project. The timelines for the project completion to be defined.</p>
<b>Providing Basic Bouquet of Financial Services:</b>	
Every willing and eligible adult who has been enrolled under the PMJDY (including the young adults who have recently taken up employment) to be enrolled under an insurance scheme (PMJJBY, PMSBY, etc.), Pension scheme (NPS, APY, etc.) by <b>March 2020</b> .	<p>The progress has been regularly being reviewed in SLBC quarterly and also SLBC – subcommittee and FI meetings. DFS, Ministry of Finance recently launched a “Jan Suraksha” Campaign focusing to enroll all eligible PMJDY account holders under respective insurance and pensions schemes. As per the instructions of DFS, SLBC is on the job of collating the eligible beneficiary data base from Electoral list, of Govt of India website which intern will be shared to all local Banks to cover all eligible members.</p> <p>Out of total 1,21,93,215 PMJDY Accounts, 1,09,22,362 Accounts covered with Insurance Schemes of PMSBY &amp; PMJJBY ( 89.58%) and 15,00,751 Accounts covered under APY pension Scheme( 12.31%) as on 30.09.2021.</p>
Capacity building of all BCs either directly by the parent entity or through accredited institutions by <b>March 2020</b> .	The National BCs are selecting the BCs and ensuring their capacity building before appointment by mandating the BCs under certification programme. As on date out of total of 11036, total of 5549 BCs got IIBF certification.



<p>All the relevant details pertaining to the ongoing skill development and livelihood generation programmes through RSETIs, NRLM, NULM, PMKVY shall be made available to the new entrants at the time of account opening. The details of the account holders including unemployed youth, and women who are willing to undergo skill development and be a part of the livelihood programme may be shared to the concerned skill development centres/ livelihood mission and vice versa by March 2020.</p>	<p>SLBC vide Lr no SLBC/210/73 advised all LDMs to collate the data of on-going skill development and livelihood activities being offered by various institutions /organizations /agencies within the district and circulate to all the Branch Managers to display in the branch premises. There are 16 RSETIs in AP state, located in 13 districts. They have been imparting training to rural youth on skill development of various livelihood activities. During the FY 2021-22 ,1990 no of candidates were trained by RSETIs upto 30.09.2021</p>
<p>Keeping in view the importance of handholding for the newly financially included SHGs/Micro entrepreneurs, a framework for a focused approach ensuring convergence of efforts from civil society/ banks/ NGOs to increase their awareness on financial literacy, managerial skills, credit and market linkages needs to be developed by National Skill Development Mission by <b>March 2022</b>.</p>	<p>SERP is providing hand holding support the all new SHGs.</p>
<p>Focus on process literacy along with concept literacy which empowers the customers to understand not only what the product is about, but also helps them how to use the product by using technology led Digital Kiosks, Mobile apps etc. through the strategy period (2019-2024).</p>	<p>In FLC Camps the products of Banks and Digital awareness etc., are being taken care. There are 52 FLCs are conducting camps target specific camps and digital ongoing camps monthly as per the target of 5 &amp; 2 respectively. Apart from above, Banks are also conducting FLC camps through NABARD FIF(Financial Inclusion Fund) where focus is also being given to digital awareness</p>
<p>Expand the reach of Centers for Financial Literacy (CFL) at every block in the country by <b>March 2024</b>.</p>	<p>RBI decided to operationalize 112 CFL, each serving 3 blocks by Dec 2021. As on 30.09.2021 total 112 CFLs, as per target are opened and started functioning in the state of AP. LDMs are taking the lead for monitoring of CFL functioning.</p>
<p style="text-align: center;"><b>Action Plan and Milestone</b></p>	<p style="text-align: center;"><b>Progress/ Road Blocks</b></p>
<p>Operationalize a Common Toll-Free Helpline which offers response to the queries pertaining to customer grievances across banking, securities, insurance, and pension Sectors by <b>March 2022</b>.</p>	<ol style="list-style-type: none"> <li>1. Installed two Toll free numbers with necessary infra-structure for AP SLBC Call Centre.</li> <li>2. Prominently displayed both Toll free numbers to all citizens.</li> <li>3. Manned retired bank employees to answer the queries on customer grievances across banking, securities, insurance, and pension sectors.</li> </ol>
<p>Develop a portal to facilitate inter-regulatory co-ordination for redressal of customer Grievance by <b>March 2022</b>.</p>	<p>SLBC requested the All the Bank controlling authorities of the banks to take up with their corporate offices to comply the same.</p>

Action Plan and Milestone	Present position
<p>With advancements in Geo-Spatial Information Technology, a robust monitoring framework leveraging on the said technology can be developed for monitoring progress under financial inclusion with special emphasis given to Aspirational Districts, North Eastern Region and Left -Wing Extremist affected Districts. A monitoring framework and a GIS dashboard to be developed by <b>March 2022.</b></p>	<p>Presently DFS is monitoring the Banking infrastructure activity with Geo-spatial technology through NIC.</p>

An exclusive Sub-committee meeting was held on 23.11.2021 where milestones and set timelines were discussed and sensitized the banks about importance of the project.

## 10.2 National Strategy for Financial Education – NSFE – 2020-2025

Based on the review of progress made under the first National Strategy for Financial Education (NSFE 2013-18) and keeping in view the various developments that have taken place over the last 5 years, notably the Pradhan Mantri Jan Dhan Yojana (PMJDY), the NCFE in consultation with regulators and other relevant stakeholders has prepared the revised NSFE-2020-2025 to support the vision of Government of India and Financial Sector Regulators by empowering various sections of the population to develop adequate knowledge, skills, attitude and behavior, which are needed to manage their money better and plan for their future.

All LDMs have been advised to take up the NSFE: 2020-25 document for discussion in the DCC meetings to bring awareness among stake holders for providing necessary assistance and support in implementing the recommendations in due course.

## 10.3 PRAGATI (Pro-active Governance and Timely Implementation) meeting – Review of Social Security Schemes

Under the scheme following are adoptable action points

- Conduct periodic publicity campaigns with special focus on rural areas at regular intervals for creating awareness about benefits of Social Security Schemes
- Ensure that no eligible Jan Dhan account holders are left out from availing the risk covers under PMJJBY & PMSBY
- Use SMS and other digital platforms to make account holders aware of the schemes and also to seek auto debit mandate from them
- Leverage marketing channels like Banking Correspondents (BCs) for ensuring Pan India coverage and innovative ways be devised for motivating the field level functionaries for enhancing enrolments, especially under PMJJBY & PMSBY
- Ensure that every willing and eligible adult who has been enrolled under PMJDY to be enrolled under an insurance scheme (PMJJBY, PMSBY etc), Pension scheme (APY, NPS etc)
- RBI monitor the progress on half yearly basis, Banks to ensure to compliance of project directives.



Banks	No of PMJDY a/cs	Insurance				Pension			
		No of accounts enrolled as on HY-30.09.2021				No of accounts enrolled as on HY-30.09.2021			
		PMJJBY		PMSBY		APY		NPS	
		Male	Female	Male	Female	Male	Female	Male	Female
Public Sector Banks	8900692	1968089	1502955	3512625	2925268	596822	794452	10484	7273
Private Sector Banks	375925	76943	48437	103622	64100	28528	11792	1832	907
Regional Rural Banks	2373378	84384	123016	120782	251752	15588	53569	5563	0
Cooperative Banks	543220	29652	12807	65004	32926	0	0	0	0
<b>Grand Total</b>	<b>12193215</b>	<b>2159068</b>	<b>1687215</b>	<b>3802033</b>	<b>3274046</b>	<b>640938</b>	<b>859813</b>	<b>17879</b>	<b>8180</b>

All member Banks are requested to cover all eligible PMJDY accounts under respective insurance and pension schemes.

### Janasurakha Saturation Campaign

DFS vide Lr no 21(23) 2014-FI Dated 27.09.2021 informed that "Hon'ble Prime Minister, in his Independence Day 2021 speech, has announced we have to achieve saturation and all the households should have bank accounts. We have to connect every entitled person with the government's insurance and pension schemes. We have to move ahead with a mindset of cent percent achievement."

DFS has suggested following road map to Banks to achieve the desired objective.

The electoral roll is available online on the websites of the Chief Electoral Officers of States and Union territories (U'I's), which includes all local adults along with their address details.

The Corporate Office of the Bank shall arrange to download the electoral rolls for the respective States for which it is the SLBC convener and arrange to prepare lists in Excel format of all such adults who have attained majority in the last three years i.e. 2019 2020 & 2021. This should be arranged by District, Assembly constituency and polling station as specified in the electoral roll.

Communicate the lists prepared above to their respective SLBC Convenors for allocating among the banks in the state latest by 31.10.2021. The Banks to reach out directly all such adults, with a view to ascertaining whether they already have a bank account and, if not, to facilitate their account-opening within Q3 FY2021-22. SLBC shall collate the reports of progress against the allocated lists to banks and shared to DFS on monthly basis.

Banks to extract the all PMJDY accounts ( Avg Balance of above Rs 1000) and Standard PMMY state wise data and share to SLBC to cover under PMJJBY & PMSBY& APY based on eligibility. Monthly targets shall be fixed for achieving the saturation by 30.09.2022. SLBC shall plan for a digital campaign and periodic physical camps/drives, the first round of which will begin from 02.10.2021. In parallel, the beneficiaries of major Govt schemes like MNAREGA, etc shall be focused to enrol under PMJJY & SBY duly coordination with respective department for data base. The scheme implementing agency to provide duly -filled enrolment forms to LDMs of the District concerned. Banks to assign enrolment targets to each individual field functionary by 15.10.2021. The good performance of the staff shall mention in their service record for each of

the appraisal years. Auto prompt feature across channels (Branch, BC and ATM ) are to be enabled to alert the teller/BC/customer that an uncovered customer is transacting, so that: the bank executive / BC may enrol him/her or the customer may self-enrol by 31.10.2021. CBS-based MIS for both the bank and its sponsored RRBs to work out the monthly rate of enrolling such uncovered customers transacted with to be created by 15.11.2021. CBS-enabled outreach mechanism in the bank identify Uncovered accounts, detect significant DBT credits to such accounts and send SMSs in local language with feature for voluntarily enrolling through SMS. Banks to ensure immediately that all BCs are made aware of the enhanced intermediary commission of Rs. 30 under PMJJBY, as well as existing commissions under PMSBY and APY. The bank's MD & ED have been advised to personally review progress in this regard with their respective circle/zonal heads and the SLBC Convenors & the minutes of the review to be shared with the DFS.

#### 10. 4 Scaling up of Centers for Financial Literacy (CFL) Project

Financial inclusion is a key driver of sustained and balanced economic growth which helps to reduce income inequality and poverty in India. In order to customize the financial education in local language and local settings targeting different groups in the society, the Reserve Bank of India has launched the pilot centre for Financial Literacy (CFL) Project in 2017 involving select Banks and NGOs to spread Financial Literacy in an innovative way through community led participatory approach. One of the mile stones of the National Strategy for Financial inclusion (NSFI: 2019-2024) is to expand the reach of CFL s to every block in the country. Accordingly it has been decided by RBI to scale up the outreach of CFLs to every block in the country, in phased manner by March 2024 with one CFL serving financial literacy needs of 3 blocks. The project cost is being funded from Depositor Education Awareness Fund, Financial Inclusion Fund (as applicable) and part portion is being funded by sponsor banks as elucidated under.

Funding Details	Funding from DEA Fund or FIF (as applicable)	Sponsor banks
CAPEX	Rs 5 Lakh	nil
OPEX	Rs 8.1 Lakh per year for three years= Rs 24.3 Lakh	Rs 0.9 Lakh per year for three years= Rs 2.7 Lakh
Total	Rs 29.3 Lakh	Rs 2.7 Lakh
Grand Total per CFL	Rs 32 Lakh	

Under Phase I, 112 CFLs are planned to open in the state of AP by 01.12.2021. Accordingly the following sponsored Bank have identified.

Name of the Bank	No of CFL
Union Bank of India	30
Indian Bank	34
Canara Bank	48

Total 112 CFLs are opened and started functioning as on date.

## 10.5 Villages identified as inadequately covered or uncovered by financial infrastructure within 5 km radius in AP State

SLBC vide Lr No SLBC/71/296 dated 15.02.2021 confirmed to RBI that out of 243 villages identified as inadequately covered or uncovered by financial infrastructure either through Branch/BC /post offices within 5 km radius in our state, 229 villages are covered with banking facilities by Bank Branch/BC / post office, and rest of 14 villages reported as submerged/un-inhabitant. Similarly, confirmed that providing banking outlet in hamlet of 500 households in hilly areas , all identified 334 villages are covered with the Banking outlets.

## 10.6 Banking Infrastructure details in Visakhapatnam district (One of the 30 re-categorized most affected LWE (Left Wing Extremism) districts in the country)

Position of Number of Bank Branches & ATMs in Visakhapatnam District:

As on	Branches					ATMs	No of BCs.
	Rural	Semi Urban	Urban	Metropolitan	Total		
31.03.2019	173	113	40	442	768	1244	518
31.03.2020	174	116	44	450	784	1225	690
31.03.2021	178	120	32	468	798	1383	798
30.09.2021	175	112	35	452	774	1364	1647

East Godavari, West Godavari and Guntur are other LWE normal effected Districts.

- ❖ Due to data correction by IOB there has been decrease in the number of ATMs
- ❖ IPPB reported 608 BCs

## 10.7 Review of Operations of Business Correspondents

Deployment of Bank Mithras: Status as on 30.09.2021:

As on date	Total BCs	Total SSA Locations	Total BCs at SSA Locations	Total SSA Locations covered by Br	Inactive / Attrition BCs
June 2021	11036	9044	6264	2780	449
Sep 2021	20900	9044	6264	2780	469

Bank wise Active and inactive BC position is placed as Annexure: 35

The issue was discussed in the Sub committee meeting held on 23.11.2021 and requested the Banks to activate/replace the inactive BCs

- ❖ BOB reported 398 additional & India Post Payment bank reported 9519 BCs during the quarter

NABARD introduced a scheme to train BCs for 3 days under capacity building programme and NABARD would reimburse the cost of training and examination fee. They have recommended IIBF one of the institutions for training of BCs. All banks are requested to take note of above scheme and recommend BCs working in your bank to capacity building training programme to sharpen skills for better performance.

## 10.8 Digital Districts Phase 2 Expanding and deepening of the Digital payments Ecosystem

RBI vide letter no FIDD.CO.LBS.No 71339/02.01.001/2021-22 dated July 14, 2021 requested SLBC upon completion of YSR Kadapa 100% Digitally enabled, the same facility to extend one or two other District as well, in consultation with state Government administration and other stake holders. The district may be chosen after feasibility assessment after considering factors such as availability of digital infrastructure/internet connectivity literacy level among population etc.

Accordingly, SLBC analyzed various parameters prescribed by Reserve Bank of India and identified the following two Districts for Expanding and Deepening of the Digital Payments Ecosystem (Phase 2).

District Name	Lead Bank	No of Branches	ATMs	Bank Accounts (Lakhs)	% of the CASA A/Cs to the populations	Villages	Literacy
Srikakulam	UBI	333	274	38.14	130%	1865	62%
Guntur	UBI	854	911	102.46	193%	727	67%

The action plan was discussed with LDMs during the Sub committee meeting held on 23.11.2021. LDMs were advised to apprise the significance of the project with district administration to enlist their support for successful completion of the project. All Bank controllers are also advised to sensitize their branches in those Districts to focus on their clientele for enabling atleast one digital product, A format was designed to collate the data from Banks by the LDMs for onward submission to RBI on monthly basis for their review and guidance.

## 10.9 Availability of ATMs in the State of Andhra Pradesh

As on	No. of ATMs
31.03.2018	8981
31.03.2019	9600
31.03.2020	9876
31.03.2021	10330
30.09.2021	10161

❖ Due to data correction by IOB there has been decrease in the number of ATMs (Bank wise ATM locations can be viewed in [www.slbcap.nic.in](http://www.slbcap.nic.in) & also placed in Annexure 36)

## 10.10 Status of Rollout of Direct Benefit Transfer in the State of AP

### 10.10.1 Progress on Accounts opened under PMJDY as on 30.09.2021:

Bank Type	Total no of Accounts	Total Deposits (Crores)	Zero Balance Accounts	Rupay Card Issued	Aadhar Seeded
Public Sector Banks	8900692	2459.83	652171	7477760.00	7837086
RRBs & Others	2916598	789.24	86692	1324768	2276284
Private Sector Banks	375925	574.91	117455	316739	323173
Grand Total	12193215	3334.97	856318	9119267	10436543
% to Total Accounts			7.02%	74.78%	85.59%
As on 30.06.2021	12226163	3834.70	853427	9102811	10864653

### 10.11 Progress report - Number of Enrolments under Social Security Schemes as on 30.09.2021

Type of Bank	As on 30.06.2021		As on 30.09.2021		Variance	
	PMSBY	PMJJBY	PMSBY	PMJJBY	PMSBY	PMJJBY
PSBs including RRBs	15124325	6118629	15736734	6412156	612409	293527
Pvt Sector Banks	667883	142194	674802	147418	6919	5224
Co-operative Banks	116492	44905	114382	48379	-2110	3474
Total	15908700	6305728	16525918	6607953	617218	302225

DFS has communicated following key changes for implementation of schemes

- ❖ Enrolment and claim forms for PMJJBY and PMSBY have been modified to capture details of subscribers and their nominees to facilitate prompt claim payment
- ❖ Banks advised to forward scanned claim documents to partner insurer to a designated email id / portal of the insurer
- ❖ Banks and insurers have been advised to settle claims within 14 days of receipt of claim-7days for bank and insurer each
- ❖ Grace period of 30 days allowed up to 30.09.2021, for renewal of PMJJBY and PMSBY by those subscribers who did not have sufficient balance in their accounts as on 31.5.2021 for auto debit of relevant premium.
- ❖ Lien period under PMJJBY reduced from 45 days to 30 days with effect from 1<sup>st</sup> June 2021
- ❖ Intermediary commission increased from Rs 11/- per subscriber to Rs 30/- per subscriber under PMJJBY to encourage intermediaries to enroll maximum no. of subscribers
- ❖ Banks and insurers to accept alternate proofs of death as specified in the claims procedure.

**Atal Pension Yojana:** Performance of Banks in the State during financial year 2021-22 up to 30.09.2021

Sector	Target	As on 30.06.2021		As on 30.09.2021	
		Achv	% Achv	Achv	% Achv
Public Sector Banks	315980	32556	10.30%	146318	46.30%
Private Sector Banks	60520	1430	2.36%	5498	9.08%
Regional Rural Banks	89600	3617	4.04%	26746	29.85%
Total	466100	37603	8.07%	178562	38.3%

(Source: PFRDA New Delhi)

APY Citizen's Choice Campaign has been launched by PFRDA from 01.08.2021 to 30.09.2021. The outcome of the campaign is as under.

The State of Andhra Pradesh has been qualified for Award of Excellence in APY Citizen's Choice H1 FY 2021-22 campaign by PFRDA for achieving stipulated target. The following 8 Banks & 10 LDMs also recognised for their best performance during the campaign period.

**Target achieved by following Banks:**

SI No	Banks Name	Target	Achievement	% of Achv
1	Tamilnad Mercantile Bank	156	1182	758%
2	Indian Bank	4545	8848	195%
3	State Bank Of India	20640	35826	174%
4	Andhra Pragathi Grameena	8280	13316	161%
5	Union Bank Of India	18765	24323	130%
6	Chaitanya Godavari Grameena	3180	3871	122%
7	Indian Overseas Bank	2355	2675	114%
8	Canara Bank	10380	11109	107%

**Target achieved by following LDMs (District Target)**

SI No	District Name	Target	Achievement	% of Achv
1	Kurnool	6,356	11,394	179%
2	Srikakulam	4,214	7,374	175%
3	Anantapur	6,202	9,839	159%
4	Prakasam	6,216	9,658	155%
5	Vizianagaram	3,794	5,786	153%
6	Y.S.R Kadapa	4,886	7,226	148%
7	East Godavari	10,374	13,230	128%
8	Guntur	10,976	12,059	110%
9	Chittoor	8,162	8,564	105%
10	SPSR Nellore	5,698	5,802	102%

Since APY is a flagship pension scheme of GoI, a concerted and collaborative action is required from all banks considering the huge pension coverage gap existing in the country.

(Bank wise position of PMJDY, PMSBY, PMJJBY & APY enrolments is placed in annexure 32,33&34)

**10.12 Financial Literacy Centers (FLCs) - Position in A.P as on 30.09.2021**

Particulars	No of FLCs as on 31.03.21	No of FLCs as on 30.09.21
Number of FLCCs operating in the District Head Quarters	15	15
Number of FLCCs operating in Lead District Offices	7	7
Number of FLCCs operating in other Places	30	30
<b>Total</b>	<b>52</b>	<b>52</b>

**Conduct of Financial Literacy Camps:** All FLCs have been directed by RBI to conduct Financial Literacy camps as under:

- Two camps per month on 'Going Digital' through UPI and \*99# (USSD)
- Five Target Specific Camps per month covering the target Groups of Farmers, SMEs, SHGs, School Children and Senior Citizens

All Rural Branches of banks are required to conduct one Financial Literacy Camp per month (on the third Friday of each month after branch hours)

No of camps conducted by FLCs & Rural Branches during 2021-22	Jun 21	Sep 21
No of FLCs	52	52
No of Special camps by FLCs	107	663
No of Target Specific camps by FLCs	309	797
No of camps by Rural Branches against the target of 7914 camps	1873	2507

Controlling authorities of all Banks are requested utilize the Financial Inclusion Fund provided by NABARD and to advise all FLCs and Rural branches to invariably conduct the Financial Literacy camps .

NABARD vide their lr no NB.AP.RO.HYD/117/DFIBT/FI-12/2021-22 Date 22 April, 2021 requested the Banks to submit the proposal for FY 2021-22 for sanction of grant support under Financial Inclusion Fund to conduct financial inclusion related activities prescribed under the scheme.

List of Schemes under Financial Inclusion Fund for FY 2021-22.

S.N	Name of the Scheme	Maximum Grant Support
1	Financial and Digital Literacy Camps by branches	SFD. Rs 6000/- per camp Others. Rs 5000/- per camp
2	Reimbursement of Examination fee of BC/BF	Rs. 800/- per BC
3	Bank Sakhi	Rs. 1000/- per day of training
4	Capacity Building of BC/BF Conduct of 3 Day Capacity Building programme	Rs. 4050/- for training per BC
5	Capacity Building of BC/BF – Refresher Programme	Rs. 1350/- for refresher training per BC
6	Dissemination of Financial Literacy through Audio Visual media, Nukkad Natak, folk	Rs. 15000/- per camp
7	MicroATM Deployment	Rs. 22,500/- per devices
8	POS/mPOS Deployment	Rs. 6000/-
9	Dual Authentication Implementation (Note. Proposal to be submitted to NABARD, HO by SCB (Including SFB & PB)s)	Rs. 14.00 Lakh per bank
10	VSAT Deployment	Rs. 1.00 Lakh per VSAT in SFDs Only
11	Mobile Signal Booster Deployment	Rs. 6000/- per device in SFDs only
12	Solar power unit/ UPS Deployment	Rs. 1.00 Lakh per unit in SFDs only

All Banks are requested to submit the proposals for sanction of FIP for FY 2021-22 and focus on to conduct financial literacy camps on aforesaid activities duly prioritizing the NABARD underlined activities to improve banking services in rural areas.



## 10.13 Review of inclusion of Financial Education in the School Curriculum, Financial Literacy initiatives by Banks

Financial Literacy Centre and Rural Branches have been directed by RBI to conduct Financial Literacy camps. As per RBI instructions, "School Children" is one of the target groups for conducting specific camp.

Controlling authorities of all Banks are requested to advise all FLCs and Rural branches to invariably conduct the Financial Literacy camps for creating financial awareness to school children.

Further, it is informed by RBI that the Central Board of Secondary Education had developed financial education material which has been suitably incorporated in the school curriculum in various States.

SLBC requested Government of Andhra Pradesh to explore the possibility of including Financial Education in school curriculum as per RBI directions.

### AGENDA 11- OTHER ISSUES

#### 11.1 Discussion on findings of region-focused studies if any and implementing the suggested solutions

**NABARD - Area Development Schemes (ADS):** Considering the large number of small and marginal farmers and people below the poverty line in the country and also the extensive canvas of agriculture and rural development, there is a felt need for promoting single purpose small projects / schemes on a cluster basis. These cluster based single purpose small projects taken up together are termed as Area Development Schemes (i.e. financing of dairy units, dug wells / pump sets / bore wells, sericulture, horticulture crops, farm forestry projects, etc.) and sanctioned to a single bank or to a number of banks. Besides enabling the economic development of the people at large, it facilitates planning and execution of infrastructure facilities viz., backward and forward linkages.

NABARD in its state focus paper presented district wise activity wise the critical interventions required in various sectors/sub sectors. Govt. of AP is requested to initiate suitable action plan/establish a policy to improve the growth in the particular sector.

#### 11.2 Review of relief measures by Banks in Areas affected by Natural Calamities

In the state of Andhra Pradesh, during financial year 2021-22 upto Sep 30 Government of Andhra Pradesh has not declared any natural calamities.

#### 11.3 Efforts towards Skill Development

##### 11.3.1 Rural Self Employment Training Institutes in AP State:

There are 16 Rural Self Employment Training Institutes (RSETIs) sponsored by UBI(9), SBI(2), Canara Bank(4) and Indian Bank(1) functioning in our state. Institutions are actively involved in conducting training programmes towards sustainable micro enterprises for the rural youth. RSETIs also, designed specific programmes for each district/ block, keeping in view the skill mapping and the potential of the region for necessary skill training and skill upgradation of the rural youth in the district.

Their activities would be and monitored at various fora of LBS (Lead Bank Scheme) particularly at the DCC level.



### 11.3.2 Performance of RSETIs in the State during 2021-22 up to 30.09.2021:

Target for 2021-22		Achievement		No of Candidates settled	No of Candidates covered under Bank finance
No. of Training Programmes to be Conducted	No. of Candidates to be Trained	No. of Training Programmes Conducted	No. of Candidates Trained		
1125	10416	79	1990	1738	635

(Settlement includes candidates trained during previous quarter also)

Good numbers of candidates are being trained every year under EDP / Skill development / Skill upgradation programmes conducted by RSETIs. The number of candidates who got credit assistance from banks is very low. Hence, controlling authorities of all banks are requested to give necessary instructions to their branches to accord preference to the candidates trained in RSETI for credit assistance subject to fulfilling the bank guidelines.

### 11.4 Market Intelligence issues

Awareness is to be created to the people on Ponzi schemes & Scams like;

- Promise of returns on investments that are much higher than those offered by banks.
- Schemes offering rewards for enrolling friends, family, and / or appointing distributors.
- Offer for free services from unknown entities and websites.
- Attractive marketing material with complex and new investment options, with the sales person following up daily and offering incentives for early registration or saying that the scheme is available for only a limited period.
- Entity or the Sales Person is not authorized by RBI, IRDAI, SEBI, NHB
- Telephone calls which either offer rewards or threaten prosecution, penalty, etc.
- Emails / SMS from unknown individuals or regulators or government organizations asking for your bank account details.

### 11.5 Allotment of Land for MSME units on sale basis in APIIC Developed Plots

Federation of Small, Medium Enterprises-India (FSME) which is a Committee Member for the Reserve Bank of India's Empowered Committee on MSMEs of Andhra Pradesh has informed that as per new Industrial Development Policy 2020-23 announced by Government of Andhra Pradesh vide GO Ms.No.30 dated 10.08.2020, it is very helpful for the development of MSME (Micro small and Medium Enterprises) sector by reducing upfront costs and replace the current lease model with Composite Lease-cum-Buy Model. The industrial land will be given on lease for a period of 33 years, with an option to buy the land after 10 years of successful business operations instead of the earlier long lease period of 99 years.

FSME requested the Government to consider allotment of land up to 2.00 Acres for MSME units on sale basis and provide the Agreement of Sale Instead of Lease Deed to facilitate the MSME units for obtaining term loan from Banks, since the banks are not sanctioning the loans on lease agreement and insisting for collateral security.

FSME requested the Government, to constitute a Committee to examine their proposal which will be useful for many fledgling MSME units.

## Issues in Registration of Mortgaged Agricultural Landed Properties:

Certain issues are happening in registration of landed properties which are mortgaged to Banks causing serious impact on the financed bank interest and were brought to the notice of SLBC. Some Banks claimed that “ they have experienced certain instances where landed property which was mortgaged to Bank by the borrowers to avail finance has been alienated and gotten registered with SRO superseding the existing registration in favour of financed Bank and having the discernable transaction in ECs.”

The subject was discussed in various forums, and according to an action point in SLBC sub Committee meeting dated 29.06.2021, a team of Bank officials had an at length discussion with the Commissioner and IG, Stamps and Registration department, Govt of AP, where the following options were suggested to curtail such kind of mala fide incidents.

- ❖ Suitable amendment in the existing section 22(A1)E to prohibit Registration of Mortgaged Agricultural landed properties in the interest of Banks and also for enacting new act 22(A1)F.
- ❖ Reverse endorsement proposal in sale deed
- ❖ Bank mortgage details disclosure as a rider.
- ❖ Digital signature to Bankers in CAR software to reverse the entry of Bank mortgage details
- ❖ A facility of sending alert message to the owner and buyer of properties
- ❖ Process to cease auto mutation of properties.

### 11.6 Position of MFI finance extended as on 30.09.2021

S.No	Particulars	Amt. in Crores
1	Cumulative Amount of Loans sanctioned so far	339.89
2	Cumulative Loans Disbursed so far	330.89
3	Total Loans outstanding	209.46
4	Total amount due for payment (Demand)	31.71
5	Total amount recovered	13.17
6	Total amount overdue	18.55
7	Out of (6) amount overdue [Standard]	0.00
8	Out of (6) amount overdue [NPA]	18.55
9	Non Fund exposure/Off Balance Sheet exposure 0/s	0.00

### 11.7 Important Circulars issued by RBI during the Quarter

Date	Reference	Title
November 2, 2021	RBI/2021-22/118 DOS.CO.PPG.SEC.No.4/11.01.005/2021-22	Prompt Corrective Action (PCA) Framework for Scheduled Commercial Banks
October, 8 2021	RBI/2021-22/110 FIDD.CO.Plan.BC.No.15/04.09.01/2021-22	Priority Sector Lending- Banks' lending to NBFCs for on-lending – Extension of facility
October, 1 2021	RBI/2021-2022/104 DOR.No.STR.REC.55/21.04.048/2021-22	Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances

## 11.8 DCC / DLRC MEETINGS

Conduct of meetings during Sep 2021 Quarter under Lead Bank Scheme to review the key banking parameters in the districts for June 2021 : Details of DCC / DLRC meetings conducted in 13 districts during September 2021 quarter are furnished hereunder.

Name of the District	DCC		DLRC	
	Meeting scheduled date	Meeting conducted date	Meeting scheduled date	Meeting conducted date
Ananthapur	14.09.2021	14.09.2021	14.09.2021	14.09.2021
Chittoor	29.10.2021	29.10.2021	29.10.2021	29.10.2021
East Godavari	06.10.2021	06.10.2021	06.10.2021	06.10.2021
Guntur	25.08.2021	29.09.2021	07.09.2021	29.09.2021
Kadapa	22.09.2021	22.09.2021	22.09.2021	22.09.2021
Krishna	24.09.2021	Not Conducted	27.08.2021	Not Conducted
Kurnool	17.08.2021	30.09.2021	20.08.2021	30.09.2021
Nellore	09.11.2021	09.11.2021	09.11.2021	09.11.2021
Prakasam	16.09.2021	29.09.2021	16.09.2021	29.09.2021
Srikakulam	29.07.2021	29.07.2021	29.07.2021	29.07.2021
Visakhapatnam	17.09.2021	07.10.2021	21.09.2021	07.10.2021
Vizianagaram	30.09.2021	30.09.2021	30.09.2021	30.09.2021
West Godavari	18.08.2021	24.09.2021	18.08.2021	24.09.2021

Due to heavy impact of COVID 19 Krishna LDM couldn't conduct DCC/DLRC

## 11.9 Timely Submission of data to SLBC by Banks and LDMs

It is observed that the Reports/ Data is received from many banks and LDMs with inordinate delay, that too after constant persuasion through mails / personal contacts, resulting in delay of the consolidation process at SLBC. Further, on many occasions a lot of inconsistencies are observed in the data so submitted by Banks/LDMs and a lot of time is lost in getting the corrected data. Inconsistencies are also observed in the District-wise data being submitted by the banks to LDMs and SLBC and reconciliation of the same is also delaying the consolidation process.

Accurate data submission is paramount for ensuring correct & timely reporting by SLBC. Hence banks are requested to ensure submission of data with accuracy and in timely manner.

Controllers are requested to sensitize the staff responsible for preparation and submission of data as per time lines to enable SLBC to submit the data to all concerned as per schedule and conduct the meetings of SLBC as per the yearly calendar.

## 11.10 Sharing of Success Stories and New Initiatives

### Success Story of Smt. Kakarlapudi Anusha (Trained at SBI-RSETI-Vizianagaram)

Smt. Kakarlapudi Anusha an unemployed woman has undergone training at SBI-RSETI, Vizianagaram on skill development. During the period of training she had shown lot of enthusiasm and commitment towards course. She honed skills on marketing, soft skills, personality development, communication skills etc. She got selected for PMEGP loan and established a water plant in her village, with credit support by SBI, Timmapur Branch and running the unit successfully. Now, she has grown as a successful Women Entrepreneur in her locality.

