

## Proceedings of the Meeting of Sub-Committee.

Date : 02.05.2020 - Time: 3.30 PM

Venue : SLBC Conference Hall,  
Union Bank of India (e-Andhra Bank)  
Pattabhi Building,Vijayawada

**STATE LEVEL BANKERS' COMMITTEE OF ANDHRA PRADESH  
CONVENOR: UNION BANK OF INDIA (e-ANDHRA BANK)**

**यूनियन बैंक ऑफ इंडिया**  **Union Bank of India**

भारत सरकार का उपक्रम A Government of India Undertaking



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**Proceedings of Meeting of Sub- Committee**

Meeting of Sub-committee was held on 02.05.2020 at SLBC Building, Vijayawada. **Sri Ajay Jain, IAS, Principal Secretary, Housing, GoAP** chaired the meeting. The meeting was attended by Sri G S Naveen Kumar, IAS, Director, VSWS, Sri Harendra Prasad, IAS, CEO, APCFSS, Executives, Senior officers from various Scheduled Commercial Banks , Rural Banks and Senior Officials from Government departments .The detailed list of participants is enclosed.

**Sri K .V Nancharaiah , General Manager & Convenor, SLBC of Andhra Pradesh** , has extended a warm welcome to the participants and initiated the discussion on the agenda items.

**Agenda-1**

**Loans to street vendors and small traders under DRI scheme and PMMY**

**Principal Secretary, Housing, GoAP** , informed that according to the appeal of Hon'ble Chief Minister during 210<sup>th</sup> SLBC meeting held on 18.03.2020, Banks to extend loans to street vendors and small traders to meet their small financial needs .He outlined that " Govt was under thought process to launch a special scheme " YSR Thodu " to handhold " Chiru Vyaparulu" under which, Govt of Andhra Pradesh would take the responsibility to bear the interest amount on loans sanctioned by banks under captioned scheme. He requested bankers to sanction loans under DRI scheme for eligible traders, or under PMMY scheme had the beneficiary not been eligible under DRI. He further highlighted that, Ward secretariat /Village secretariat staff would be entrusted the job of identification of eligible beneficiaries and all the details will be maintained in digital form. He requested bankers to utilize the services of VS/WS staff for implementation of scheme at branch level. He also informed that, Gram/Ward Volunteers will assist in recovery of these loans.

**General Manager & Convenor, SLBC of Andhra Pradesh** , requested bankers to offer their views to formulate Standard Operating Procedure to be adopted by all Banks in the state to implement YSR Thodu Scheme.

**Director, VSWS, GoAP**, highlighted that Govt of Andhra Pradesh is under thought process to launch this scheme during June, 2020 . Government will develop separate App for this scheme for identification, issuance of Identity cards and sanction of bank loan in digital mode. He requested bankers co- operation to derive anticipated results out of the proposed scheme.

**Banks' representatives** , suggested the following on the proposed scheme.

- ✓ Branch Managers must be involved in identification of beneficiaries with a discretionary either to sanction or rejection of loan applications.
- ✓ Common application can be framed for sanctioning of loans.

- ✓ Village Secretariat /ward secretariat staff shall collect the KYC documents from the beneficiaries and to extend required support to Branch Mangers if any branch set to handle large number of applications.
- ✓ Branch shall sanction loans to the beneficiaries within their operational area.
- ✓ Gram volunteers should help in the recovery of the loan instalments
- ✓ Govt of AP should provide Identity cards, UPI and QR code to the vendors
- ✓ Govt of AP should reimburse the interest on quarterly basis to the controlling Banks
- ✓ Stamp duty shall be waived off by the Govt of AP.

**Principal Secretary, Housing,GoAP** , advised SLBC to prepare SOP to be adopted by banks for the sanction of loans under “YSR Todu “schemes

After at length discussion, following action points evolved in the forum.

1. SLBC to prepare common simplified application cum appraisal form for the benefit of all Banks.
2. All Banks shall honor the SOP and Common application cum appraisal format prepared by SLBC.
3. Banks should not charge any processing / service charges on loans to be sanctioned under the captioned scheme.
4. Ward/ Gram secretariat staff and Gram /Village volunteers should extend necessary support to bank branches on request branch manager.
5. Govt of Andhra Pradesh shall reimburse the interest portion charged on loans sanctioned under above scheme. Banks to claim the interest reimbursement on quarterly basis through their controlling offices.
6. Stamp duty is to be waived on loan documents executed by borrowers. Govt of Andhra Pradesh shall issue necessary G.O in this regard.
7. Loans to be sanctioned under Term Loans.

**(Action: SLBC, VSWS dept , All Banks )**

**Agenda - 2**

**COVID-19-Extension of Lock down-Business Continuity Plans**

**General Manager & Convenor, SLBC of Andhra Pradesh** , informed that, Government of India vide press release dated 01.05.2020 announced an extension of Nation wide lockdown for a further period of two weeks with effect from 04.05.2020 to 17.05.2020 with certain relaxations in green and orange zones. In our state 5 districts, viz, Kurnool, SPSR Nellore, Krishna, Guntur and Chittoor are declared as red zones while Vijayanagaram district as Green zone and rest of seven districts are reported as orange zones. He requested member banks to offer their views to re design the Business Continuity Plans of the banks in the wake of 3<sup>rd</sup> phase national lockdown.

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After threadbare discussions, forum arrived consensus as follows:

- The time lines on Bank branch functioning which are in force are to be continued until further instructions or expiry of lock down period i.e. May 17,2020.
- All other decisions which were approved in Sub Committee meeting dated 15.04.2020 are to be continued .

**Agenda - 3**

**Bank/Virtual Account based payment mechanism for accessing benefits under Govt. Schemes**

**General Manager & Convenor, SLBC of Andhra Pradesh** informed that , Govt of Andhra Pradesh had launched “YSR RythuBarosa” scheme during October 2019, under which, Govt would provide an investment support of Rs.13,500/- per annum to around 54 lakhs farmers’ families in the state. This included Rs.6,000/- amount as central Government component under PM KisanSammanNidhiYojana and Rs.7,500/- amount as AP State Government component under YSR Rythu Bharosa scheme. During the sub committee meeting held on 19.02.2020, Spl Commissioner of Agriculture, Govt of AP, informed that Govt of AP is under the thought process to issue digital cards to YSR RythuBharosa beneficiaries for the purpose of purchasing Agriculture inputs at RythuBharosa Kendras and requested bankers to issue pre loaded cards to all eligible farmers. Convenor, SLBC requested member bankers to support the Government of Andhra Pradesh initiation to implement YSR Rythu Bharosa scheme through card based payment mechanism.

**Chief Executive Officer, APCFSS, GOAP** informed that, Government is willing to implement the Rythu Barosa scheme through card based mechanism, under which digital cards (Credit Cards) will be issued to the beneficiaries, which are to be utilized at Agriculture input centers or Rythu Bharosa Kendras for purchase of Agriculture inputs. He requested bankers’ support to the proposed project as the Banks need to act as partner in this system. Banks should provide cards to the beneficiaries and POS machines to the merchants. Government of AP is targeting 20000 merchants for accepting the cards.

He explained the process of the scheme as narrated below.

1. Banks to issue co branded digital cards to farmers. (Rythu Bharosa Beneficiaries)
2. Cards can be used in specified outlets as well as in ATMs and other retails outlets.
3. Credit Cards/ Pre loaded cards are linked with the benefit amount received under Rythu Barosa Scheme. A specified sum only is allowed to be spent at designated RBKs. Balance can be withdrawn through ATMs.
4. Cards to be used for purchase of agriculture inputs at registered RBKS/ specified merchant establishments
5. Cards can be used in both closed loop transactions (only registered RBKS/ specified merchant establishments)
6. Card transactions to be allowed through POS machines.
7. Card transactions to be carried out in secured protocol.



8. Banks and Govt should enter into an agreement stipulating terms and conditions on settlement of transactions and other issues.
9. Banks need to settle the all transactions between GoAP-Bank-Merchant, in agreed terms and time period.
10. Government would share the eligible farmers list to all card issuing banks.
11. Government will develop an application mapping farmers virtual bank accounts and merchant establishment where cards are to be used
12. Government requires 50 laks cards
13. It is estimated that around Rs 3500 crores amount will be routed through this scheme.
14. Operationalisation of the scheme by 25th May 2020.

After fruitful discussion, the forum resolved the following.

- Bankers to inform their banks' s decision on their participation in the captioned scheme, after consulting with their competent authority

**(Action: All Banks)**

The meeting was concluded with vote of thanks.

<b>List of Participants</b>			
<b>SN</b>	<b>Name</b>	<b>Organization</b>	<b>Designation</b>
1	Ajay Jain, IAS	Go AP	Principal Secretary GoAP
2	K.V Nancharaiah	Union Bank of India	GM & Convenor, SLBC of AP
3	G S Naveen Kumar, IAS	Go AP	Director, VSWS
4	Harendra Prasad, IAS	Go AP	CEO, APCFSS
5	K Ajay Paul	AGM	SLBC of AP.
6	Chiranjeevi U	Go AP	OSD, Finance
7	NN R Srinivas	Go AP	MEPMA
8	AK Sahu	SBI	DGM(B&O)
9	Nagendra	SBI	DGM
10	M V Swamy	Union Bank of India	DGM
11	Vege Ramesh	Union Bank of India	DGM
12	K V N Murthy	Canara Bank	DGM
13	Ch Raj Shekhar	Bank of Baroda	DGM
14	PV Prasad	Indian Bank	DGM
15	SVB Reddy	APCOB	GM
16	D J Prasad	SBI	AGM
17	G Venkateswara Reddy	Indian Bank	AGM
18	M Nageswara Rao	Punjab National Bank	CM
19	Ashok K	ICICI	Regional Head
20	Venkant Rajesh P	HDFC Bank	State Head
21	J Rama Krishna	SGB	Regional Manager
22	B Satya Prasad	APCOB	AGM
23	Ritesh Kumar	Bank of Baroda	Chief Manager
24	N Rama Krishna	Punjab National Bank	Senior Manager
25	M Jagannath	Canara Bank	Manager
26	T K Mohan	HDFC	BM
27	Adi Narayana	HDFC	Manager
28	Vineeth R	ICICI Bank	Relationship Manager
29	S Ravi Kumar	APCOB	SBA
30	Vamshi	GoAP	Sr. Consultant
31	Phaneendra Kumar	NPCI	Lead