

రాష్ట్రస్థాయి బ్యాంకర్ల సమితి, ఆంధ్రప్రదేశ్  
राज्य स्तरीय बैंकर समिति, आन्ध्र प्रदेश  
STATE LEVEL BANKER'S COMMITTEE, ANDHRA PRADESH

यूनियन बैंक ऑफ इंडिया Union Bank of India

కన్వీనర్ : యూనియన్ బ్యాంక్ ఆఫ్ ఇండియా, 2వ అంతస్తు, ఆంధ్రా బ్యాంక్ బిల్డింగ్, ఆర్.ఆర్.అప్పారావు వీధి, విజయవాడ-520 001  
संयोजक : यूनियन बैंक ऑफ इंडिया, 2 मंजिल, आन्धा बैंक बिल्डिंग, आर.आर.अप्पा राव सड़क, विजयवाड़ा - 520 001  
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Lr. No: SLBC /210/ 220

Date: 14.07.2023

To,

**The Controlling Authorities of all Banks in AP**

Dear Sir,

**Reg: Minutes of MSME & Others sub-committee meeting held on 11-07-2023**

We enclose herewith the minutes of the Sub-Committee Meeting held on 11-07-2023.

We request the members to initiate necessary action on the points emerged in the meeting.

Yours faithfully,

(E Raju Babu)

Asst General Manager and Coordinator SLBC, Andhra Pradesh



- CC : Special Chief Secretary, Finance Dept, Govt.of AP, AP Secretariat.  
Special Chief Secretary, Housing and GVWV & VSWS Dept, Govt.of AP, AP Secretariat.  
Special Chief Secretary, Agriculture & Co-operation, Govt.of AP, AP Secretariat.  
Special Chief Commissioner, Agriculture, GoAP.  
Commissioner, GSWS dept. Govt.of AP. Secretariat.  
Commissioner, Industries, Govt.of AP  
Commissioner, Civil Supplies, Govt.of AP  
MD TIDCO, Govt.of AP  
General Manger, FIDD, Regional Office, Reserve Bank of India, Hyderabad.  
Chief General Manager, NABARD.  
MD, MEPMA, Govt.of AP  
State Director, KVIC  
Joint Director, Handlooms & Textiles

Encl: as above

## Minutes of the Sub-Committee Meeting

Date	11.07.2023
Time	11.00 AM
Venue	SLBC Conference Hall, Vijayawada

STATE LEVEL BANKERS' COMMITTEE OF ANDHRA PRADESH

CONVENER: UNION BANK OF INDIA

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**E. RAJU BABU**  
सहा महा प्रबंधक & को-ऑर्डिनेटर  
A.G.M. & Co-Ordinator  
एस एल बी सी ए पी  
State Level Bankers Committee of AP



**Proceedings of Sub-Committee Meeting**

A meeting of SLBC Sub-committee on MSME & Others was held on 11.07.2023 at SLBC conference hall, FGMO, Union Bank of India, Vijayawada. The meeting was chaired by Sri Navneet Kumar, Field General Manger and Convener SLBC of AP. The participants in the meeting are Sri Ajay Jain, IAS, Special Chief Secretary, Government of Andhra Pradesh (VC), Sri Dr.Lakshmisha, IAS, Commissioner, GSWS department, Govt.of AP, Sri CH Sridhar IAS, MD AP TIDCO, Smt Vijayalakshmi MD MEPMA, Sri. MVSN Murthy, OSD finance Department(VC), Sri R K Mahana, General Manager, RBI, Sri MSR Chandra Murthy, Dy.General Manager, NABARD, Sri.Dr.S.Greep, State Director, KVIC, Sri K.Kannababu, Joint Director, Handlooms& Textiles, Smt.Padmavathi, Deputy Director ,Agriculture , Executives and Senior officials from major banks. The list of participants enclosed.

Sri Navneet Kumar, FGM & Convener SLBC of AP has extended a warm welcome to the participants and outlined the agenda notes.

Sri Raju Babu, Asst General Manager, SLBC presented the agenda items to the house for discussion.

**Agenda 1: Performance Review of Government Schemes**

**Asst General Manager, SLBC of AP** submitted that most of the applications related to various Government schemes are pending in portal such as PMFME, PMEGP, Mudra, PMSVANidhi, Stand-Up-India, KCC AH& Fisheries etc, even though the issue was brought to notice of all Banks in various forums. He highlighted that all these pending applications are causing hindrance in achieving the set target by both Central and State Government. In most of the cases rejections are increasing and it is the major concern for departments.

He requested all member banks to consider eligible applications and clear pending applications in the portal and make sure that all targets are achieved within timelines. **(Action: All Banks)**

**Agenda 2: KVIC-PMEGP -Submission of revised Targets for the year 2023-24 under PMEGP Scheme**

**Asst General Manager, SLBC of AP** informed that state Director, KVIC submitted the targets of PMEGP Scheme for FY 2023-24 pertaining to KVIC, KVIB & DIC and presented the same for approval. Operational guidelines were issued for implementation of modified PMEGP Scheme. He also informed that the targets are indicative only and banks can sanction as many applications as possible.

He advised member banks to sanction and disburse all eligible applications and make sure that PMEGP targets are achieved within time frame. **(Action: All Banks)**

**Sri. DR.S. Greep, State Director, KVIC** informed the forum to clear all pending applications either by Sanction or rejection with valid reason. Banks have to claim margin money immediately after 1st disbursement whereas Rs.50.00 Crs. margin money is still pending with agencies. He also requested the banks to sanction the loans under this scheme evenly and not at the fag end of the year.

**Convener SLBC** intervened and advised banks to dispose all pending applications within RBI Stipulated timelines.

He also informed that, during last financial year our state performance in MUDRA scheme was good but our banks performance in the state is not up to the mark in Qtr1 of FY 2023-24 and it needs to be improved in 2nd Qtr.

**The forum approved the PMEGP targets of the state for the financial year 2023-24.**



**Agenda 3: Sharing of Jagananna Thodu & PM SVANidhi data for reimbursement of interest to the beneficiaries.**

**Asst General Manager, SLBC of AP** submitted that Special Chief Secretary, Housing and GVWV & VSWS department, Government of Andhra Pradesh requested SLBC to give necessary instructions to the Banks for sharing of Jagananna Thodu & PM SVANidhi data for reimbursement of interest to the beneficiaries and in turn SLBC also requested the Banks to share the data to the GSWS department. In spite of reminders from SLBC and department still some banks have not submitted the data. He advised all the Banks to submit the data as per time norms given by department. **(Action: All Banks)**

**Sri Ajay Jain, IAS, Special Chief Secretary, Housing and GVWV & VSWS department, Government of Andhra Pradesh** informed the forum that, Jagananna Thodu is an extension of PM SVANidhi and in AP state it also includes rural area. He highlighted that with the co-operation of all banks, department has successfully completed 6 phases of the scheme and 7th phase is going to be launched on 21st July, 2023. He requested all banks to continue extending the same co-operation for successful grounding. He advised the banks to share the data for reimbursement of interest amount and he mentioned the bank names viz. Canara Bank, Indian Bank, Bank of Baroda, Bank of India, Indian Overseas Bank, Central Bank of India, APGVB, PNB, UCO Bank and Bank of Maharashtra to share the data as early as possible and see that not even single eligible beneficiary left out with the interest subsidy amount from state government.

**Convener SLBC** intervened and inquired with banks about the reasons for not sharing the data and Banks viz. PNB, BOI, CBI and others informed that they do not maintain separate MIS codes for this scheme in AP state so, they have to collect the data from branches and consolidate at State level and share the data to the department, hence the delay in submission of data. Mentioned Banks are promised to submit the data on or before 14th, July 2023.

**Sri Dr. Lakshmi, IAS, Commissioner, GSWS department, Govt. of AP** advised all the banks to share the eligible beneficiaries list to department for reimbursement of interest and he also informed that department aspires to reimburse interest amount to all eligible accounts and ensure that no account slips to NPA under this scheme.

**Agenda 4: APTIDCO-Loans Sanctioned to PMAY(U)-AHP Beneficiaries- rescheduling of instalments for the loans released in 2018, 2019 and 2020**

**Asst General Manager, SLBC of AP** informed the forum that Government of Andhra Pradesh, Municipal Administration & Urban Development department, sent a letter to SLBC vide Ir.no.2079615/UH/A1/2023 dated 26/05/2023 and requested SLBC to issue necessary guidelines to the bankers on APTIDCO loans sanctioned to PMAY(U)-AHP beneficiaries to extend holiday period for commencement of monthly instalments by 12 months for the loans released in 2018, 2019 and 2020.

APTIDCO, in order to avoid these accounts, become NPAs and to ensure that bankers are not affected due to these NPAs has paid all the NPA amounts, despite its limited financial resources. APTIDCO, requested all the banks to extend the holiday period that is going to be expired in 2023 for a further period of one year and reschedule the instalments accordingly for the loans released from 2018 onwards.

**AGM SLBC** presented this issue to the forum for discussion.



**General Manager & Convener SLBC** informed that extension of 12 months moratorium and change in repayment period is nothing but reschedule of loan, and for reschedule of loans banks have to refer to their boards for approval and RBI has to give some relaxations for this scheme in Andhra Pradesh. Major Banks viz..SBI, UBI, Canara Bank, BOB and Indian Bank also expressed the same opinion.

**General Manager, RBI** informed that IRAC norms of RBI as a policy applicable to all banks in all the states. It will not be possible for banks to deviate from norms without specific approval. If any such relaxation has been given by RBI in other states, same may be brought to the notice of SLBC forum so that the circumstances, background can be examined.

**Sri CH Sridhar IAS, MD AP TIDCO** thanked all the bankers for extending credit support in completion of TIDCO houses. He informed that 76000 houses are handed over to beneficiaries. In Phase-1 locations infrastructure facilities completed and in other locations also it will complete soon. He requested all the banks to co-operate in disbursement and sanction of pending applications of TIDCO houses.

**Smt Vijayalakshmi MD MEPMA** informed that Banks have extended good support so far for TIDCO houses and requested all the banks to disburse the pending amount to the extent of work done and she also submitted that, in some cases, even though units have been completed, Banks have not disbursed total amount. In some cases same location of houses one bank is grounding the units where another bank is not grounding, so, she requested all the banks to co-operate in clearing pending applications and grounding the units.

**Convener, SLBC** Intervened and advised all banks to relook for disbursement of full amount in completed units and diarise the reasons for not disbursing the loans, write to the department and resolve the issues immediately.

#### **After thorough deliberations, following action points emanated.**

Forum opined that extension of 12 months repayment period is not possible as it is against RBI IRAC norms and unless RBI gives relaxations for this scheme banks cannot proceed further. AP TIDCO has to write a letter to RBI to get relaxations specific to this scheme.

**(Action: AP TIDCO)**

AP TIDCO has to submit bank wise/ULB wise pending status of sanctions and disbursement for entire state.

**(Action: AP TIDCO)**

All Banks have to disburse the pending amount to the extent of work done and clear pending sanctions and disbursements immediately.

**(Action: All Banks)**

#### **Agenda 5: Handloom Weaver Mudra Scheme**

**Asst General Manager, SLBC of AP** informed that Joint Director Handlooms & Textiles department, A.P submitted the Weaver Mudra scheme Bank wise and District Wise targets for the financial Year 2023-24. He advised all the banks to sanction and disburse all the eligible applications and achieve the set targets.

**K.Kanna Babu, Joint director, Handlooms & Textiles** requested all the Banks to sanction Weaver Mudra loans to all eligible beneficiaries and after disbursement share the data to department and claim margin money assistance for sanctioned loans. He informed that Punjab National Bank is the nodal bank for claiming margin money in this scheme.

**(Action: All Banks)**



For effective monitoring of sanctions and disbursements, the department to share granular details of applications to SLBC and Bank controllers every month. **(Action: Handlooms & Textiles dept.)**  
The forum approved the Handloom and weaver Mudra Scheme targets of the state for the financial year 2023-24.

#### **Agenda 6: Diversification of Income Avenues of Fair Price shop Owners for improving their financial viability**

**Asst General Manager, SLBC of AP** submitted that the department of food and Public Distribution (DFPD) Minister of Consumer Affairs issued vide circular letter dated 14/03/2023, informed that improving the financial viability of Fair Price Shop (FPSs) dealers and to diversify their income avenues has taken various initiatives to deliver additional citizen centric services through these FPSs including engaging them as banking/business correspondent (BC) through IPPB and tie ups with Common Service Centres among others. Since FPS lack digital literacy and start up skills, DFPD is planning to conduct awareness workshops/training programs for FPS dealers through FLC and RSETIs.  
Banks are advised to explore the possibilities to improve their financial viability by giving them an opportunity to work as BCs. **(Action: All Banks)**

#### **Agenda 7: Timely disposal of applications by DMs u/s 14 of SARFAESI Act**

**Asst General Manager, SLBC of AP** informed that the department of financial Services issued circular letter dated 29/04/2023, SARFAESI Act 2002, prescribed inter alia a time limit of 30 days (extendable to 60 days for the reasons to be recorded in writing) to pass suitable orders in applications filed u/s 14 of the Act by the secured creditors (banks and financial institutions) seeking assistance of the District Magistrates for taking physical possession of mortgaged properties of defaulting borrowers.  
Secretary DFS has written letter to Chief Secretary of State and asked to direct District Collectors in AP state to support the efforts of Banks/FIs to recover dues from defaulters and clear all the pending applications u/s 14 of the SARFAESI Act well within the prescribed period of 60 days.  
He advised all member banks to provide information on the status of pending applications more than 60 days with any District Collector of the state to take up the matter with finance secretary and ensure they will be disposed with in time frame. **(Action: All Banks)**

**Sri. NVSN Murthy, OSD finance Department**, informed that the issue was taken up with 7 District Collectors and cleared all pending applications. Further, he also advised all the banks to inform finance department if any such issues still persist with any district collector.

#### **Agenda 8: NPAs in MSME sector**

**Asst General Manager, SLBC of AP** submitted that as on March 31, 2023, the NPAs in the MSME sector were Rs 5999 crores i.e. 6.83% to the outstanding advances. The NPAs as on December 31, 2022 stood at 7.30% and hence, it has shown a decreasing trend. Accordingly, all other banks concerned were also advised to adopt rigorous checks at the pre-sanction/disbursal stage itself to ensure non-accretion to fresh NPAs.

Regional Director, RBI in 67<sup>th</sup> meeting of empowered committee on MSME has advised all banks to monitor closely NPAs in MSME sector and initiate timely remedial actions.

**(Action: All Banks)**



**Agenda 9: Collateral Free Loans and Coverage under CGTMSE**

**Asst General Manager, SLBC of AP** highlighted that in recently conducted 67<sup>th</sup> meeting of empowered committee on MSME, RD RBI informed that, Guarantee approved amount under CGTMSE coverage has shown an increase of 45% QoQ. He advised SLBC to include the reasons and the ways of reduction in NPA viz.. by recovery, OTS, write off etc. **(Action: All Banks)**

**Agenda 10: Revival and Rehabilitation of MSMEs**

**Asst General Manager, SLBC of AP** submitted that, around 2594 units amounting to Rs1675 crore were referred under SARFAESI Act as on March 31,2023. The banks were advised to take the approval of the Committees constituted for revival and rehabilitation of MSMEs before initiating action under SARFAESI Act in terms of extant RBI guidelines on Framework of Revival and Rehabilitation of MSMEs. All the Banks are advised to invoke SARFASI recovery proceedings after duly following the RBI guidelines on Framework of Revival and Rehabilitation of MSMEs. **(Action: All Banks)**

**Agenda 11: MSME units not classified as MSME due to lack of Udyam Registration Certificate (URC)**

**Asst General Manager, SLBC of AP** informed, major banks had submitted 'NIL' data in respect of MSME units not classified as MSME owing to lack of URC. RBI advised that all the banks to hold special camps and ensure that all the MSME entities are Udyam registered and the URC is updated in their CBS system. The Ministry of Micro, Small and medium Enterprises (MSME), Government of India has launched the Udyam Assist Platform (UAP) to facilitate formalisation of Informal Micro Enterprises (IMEs) through online generation of Udyam Assist Certificate. Registration on the platform is done with the assistance of designated agencies which are RBI regulated entities (including scheduled commercial banks, non-banking financial companies etc). Udyam Assist Certified units shall be classified under MSME, Priority sector for the purposes of PSL classification.

He advised all the Banks to utilise the platform and classify them in priority sector as per the PSL guidelines. **(Action: All Banks)**

**Agenda 12: Timely submission of EC on MSME data for the Qtr.June-2023**

**Asst General Manager, SLBC of AP** advised all Banks to submit error free data within time and the data should be validated by senior level officer/executive before submitting to SLBC.

**(Action: All Banks)**

**Agenda 13: Agriculture Professional Loans-Pilot Project on Providing loans to tenant farmers in Dr.B.R.Ambedkar Konaseema district.**

**Asst General Manager, SLBC of AP** submitted that Government of Andhra Pradesh, department of Agriculture informed that Dr.B.R.Ambedkar Konaseema district collector formulated a new pilot project with an aim to recognise landless tenant farmers as "Agriculture professionals" and provide timely loans to them without any No objection certificate from owner farmer by considering crop as asset to which the loan is linked for repayment. It provides an opportunity of access to institutional credit to all people involved in agricultural operations.

Department of Agriculture Govt.of Andhra Pradesh requested SLBC to study the feasibility on the project to implement the same for entire state.



The proposed procedure for selection of the beneficiary is as follows:

- 1) The territorial jurisdiction of the RBK i.e., village is the unit of consideration for the purpose of implementing the project.
- 2) Identification of agricultural professionals will be carried out by the Village agricultural assistant and a database of all agricultural professionals will be maintained at the RBK level. This dynamic database will be kept up to date by the Village agricultural assistant at the start of each crop.
- 3) The eligibility to become agricultural professional is based on the following parameters:
  - A) At least 5 years of continuous residency in the village.
  - B) Clean credit history with the banks/ societies.
  - C) Self-declaration
  - D) White Ration Card
  - E) Field visits of the sown crop by the VAA
- 4) The final list of agricultural professionals selected for loaning will be approved by Mandal Agriculture officer & Tahsildar at Mandal level.
- 5) This database will be shared with the banks in an online mode at least one month before start of agricultural operations.
- 6) Assessment of loan amount and sanctioning will be done by the bankers, and the loan amount will be disbursed in a single attempt to the agriculture professionals before the crop is sown.
- 7) Recovery of the loan is linked with the sale proceeds of the crop. The crop is the asset to which the loan is linked to. The revenue department will help in the recovery of the loan & in case of default.

**Smt.Padmavathi, Deputy Director, Agriculture department** presented the subject to the forum and requested the suggestions to implement the scheme for entire state.

After thorough deliberations on above subject, several questions were raised by bankers and since it is a pilot project the department was asked to evaluate the outcome and place before the committee for further discussion.

DGM NABARD also inquired about the modalities and SOP of the Pilot project and said that they will ascertain the details from DDM of Konaseema District and share with SLBC.

The meeting was concluded with the vote of thanks to the Chair and other dignitaries.





## List of Participants.

S.No	Name (Sri/Smt)	Designation	Organisation
1	Sri Ajay Jain, IAS,	Spl. Chief Secretary (Housing and GVWV &VSWS dept.)	Govt of AP (VC)
2	CH Sridhar IAS,	MD AP TIDCO	Govt of AP
3	Dr.Lakshmisha, IAS,	Commissioner, GSWS department,	Govt.of AP
4	Navneet Kumar	GM & SLBC Convener	Union Bank of India
5	E Raju Babu	AGM – SLBC Coordinator	Union Bank of India
6	Smt Vijayalakshmi	MD MEPMA	Govt of AP
7	MVSN Murthy	OSD Finance dept.	Govt of AP (VC)
8	R K Mahana	General Manager	RBI
9	G Nagaraju	Asst. Manager	RBI
10	MSR Chandra murthy	Deputy General Manager	NABARD (VC)
11	Goutham Laxminarayana	Chief Manager	SLBC
12	Sri.DR.S.Greep, ,	State Director	KVIC
13	Sri K.Kannababu,	Joint Director, Handlooms& Textiles	Govt of AP
14	M.Padmavathi	DDA, CRDA, AP	Govt.of AP
15	DBN Krishna	Asst Gen Manager	SBI
16	Anitha	Asst Gen Manager	UBI
17	S K Golani	Dy.Regional Head	CBI
18	V Veerabhadra Rao	Manager	IOB
19	N Uday kumar	CM	PNB
20	Villa varun	AGM	APCOB
21	M.V.Satish	Manager	CGGB
22	Lakshmikanth kunda	CM	ICICI
23	P.Krupaji	SM	Axis Bank
24	Gopinadh T	Manager	Bank of India
25	K.Siva Ram Prasad	Regional Manager	SGB
26	P.Maruthi Ram	General Manager	CGGB
27	Ch Sree Rama Somayaji	General Manager	APGVB
28	M.Neelima	Manager	Union Bank of India
29	K Venkata Satish	Co-ordinator	CGGB
30	M V Ramudu	CM	Indian Bank
31	G V V Prasad	AGM	Canara Bank
32	G.Venkat Yadav	Manager-Agri	KVB
33	K V Sai Kumar	Senior Manager	Kotak Mahindra Bank
34	S.Uday Kumar reddy	Manager	APCOB
35	Satish Kumar K	Manager	IDBI
36	V.Koti Reddy	AD	KVIC
37	R.Chakrapani	Bank Co-ordinator	APTIDCO/MEPMA
38	G.Ranga charyulu	State Mission Manager	MEPMA
39	R.Adinarayana	Mission Manager	MEPMA

Related departments and other bankers participated through VC



**కె. రాజు బాబు**  
**E. RAJU BABU**

రాష్ట్ర స్థాయి ప్రవంధక & కో-ఆర్డినేటర్

A.G.M. & Co-Ordinator

एस एल बी सी ए पी

State Level Bankers Committee of AP