

Proceedings of the Meeting of Sub-Committee

On

‘Expanding and Deepening of Digital Payments’

Progress in Y S R Kadapa District

Date : 17.06.2020 - Time: 3.00 PM

**Venue : SLBC Video 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**

एकता सर्वोपरम्

A Government of India Undertaking



**FGM Office, Union Bank of India (e-Andhra Bank)
Pattabhi Building 2nd Floor, RR Apparao Street, Vijayawada
Phone: 0866 - 2562522, 2562518**

Fax: 0866 – 2562521 Email: slbc@andhrabank.co.in

slbc@unionbankofindia.com



Proceedings of Meeting of Sub- Committee

A Meeting of the Sub-committee on 'Expanding and Deepening of Digital Payments' – Progress in Y S R Kadapa District was held on 17.06.2020 at SLBC Building, Vijayawada. **Sri Sundaram Shankar, General Manager, Reserve Bank of India**, participated through VC and chaired the meeting. The meeting was attended by DGM, NABARD and other senior executives from Banks of Digital Committee, besides a representative of NPCI who was invited to the meeting. The detailed list of participants is enclosed.

Sri V Brahmananda Reddy, Field General Manager & Convenor, SLBC of Andhra Pradesh, extended a warm welcome to the participants and initiated the discussion on the agenda items.

Agenda 1

Review on 'Expanding and Deepening of Digital Payments ecosystem' –100% digitalization of Y S R Kadapa District –Review of Progress.

Sri Sundaram Shankar, General Manager, Reserve Bank of India, highlighted the following in his opening remarks.

- Pursuant to the announcement made by Governor, RBI as part of the fourth Bi-monthly monetary policy statement issued on October 4, 2019 to identify one district in each state to make it 100% Digitally enabled, YSR Kadapa District, AP one of the 'Transformation of Aspirational District' was selected by SLBC of AP in consultation with all stakeholders to make it 100% digitally enabled within a timeframe of one year. RBI had also circulated to SLBC Convenor/Banks a format to review the progress made by banks in making the district 100% digitally enabled.
- The progress made by banks thus far in implementation of the prestigious project announced by the Governor, RBI is not encouraging. Interaction of RBI, Hyderabad with controllers on banks indicated a general lack of appreciation of the task at hand, with little or no instructions/guidance having been issued by them to their branches.
- The major concern is quality of the data submitted by banks to RBI and SLBC/LDM in the case of most Banks, numerous inconsistencies and downright errors have been noticed by RBI, indicating major issue in the manner in which data is extracted /compiled by Banks.
- State level Controllers of the banks operating in Kadapa are advised to look in to the data extraction/compiling process and ensure that data in respect of Kadapa district submitted to RBI/SLBC/LDM is accurate and complete in all respects. The quarterly/monthly data submitted from the quarter ended December 31, 2019 onwards may be rechecked by banks and corrected data may be submitted to RBI and SLBC convenor. The banks which are satisfied that there are no errors in the data submitted by them so far, may confirm the same to the RBI and SLBC convenor.



- State controllers are also advised to obtain disaggregated data at branch level and assign targets to their branches for bridging the gap in coverage of their customers enabled with digital banking/payment modes. Special thrust needs to be given in areas/blocks where digital banking penetration is low.
- Bank should go on a campaign mode and reach out to their existing customers. They should identify the non-debit card holders among their customers and make concerted efforts to issue Rupay Debit Cards to all such customers by highlighting the benefits of the usage of debit card, including the free insurance coverage available to such card holders.
- Needless to emphasis, the role of the state Level Controllers of Banks is vital for accomplishing the goal of making the district 100% Digitally enabled. They are requested to bestow their personal attentions to the projects, guide the line –functionaries and closely monitor the progress made by their Branches.
- Concluding his remarks, GM, RBI requested bankers to flag roadblocks, if any, in implementation and also suggest strategies to take forward the project.

General Manager & Convenor, SLBC of Andhra Pradesh has suggested the following strategies that can be adoptable by Bank controllers to have a conscious progress in the project.

- On perusal of the data of May 2020 month, it s observed that 80% of the bank branches and 86 % of the customer bases has emanated from 5 major banks Viz,. SBI, APGB, Union Bank of India (e Andhra Bank), Canara Bank (e- Syndicate bank) and Indian Bank. The Controllers of these major banks shall take active role to achieve discernable progress in the programme.
- All Rural and Semi Urban branches should be sensitized to utilize the NABARD Financial Inclusion Fund to conduct financial literacy camps in the villages to spread awareness among people on importance of digital mode of transactions.
- Banks shall draw special action plan to align widely spread Bank Mitras' services with this exercise.
- Govt. of Andhra Pradesh had established village secretariat system, where village digital assistant services can be utilized by the respective service area bank branch to step up the digital banking activities.
- The commencement of crop season resulted in notable increase of foot prints at branches for agriculture lending, this can be converted to issue Rupay debit cards in large extent to all eligible account holders.
- Bank Controllers may explore starting incentivized campaign to achieve 100% digitalization of the branch.
- Bank Controllers may evolve suitable plans to improve the digital transactions.
- NPCI can also play an important role in conducting virtual awareness sessions to banks staff on benefits of Rupay cards.



General Manager, RABD, Union Bank of India informed the following,

Banks have to generate centralized data segregating accounts having and not having digital banking facility. This data need to be further sorted out branch- wise and village wise, and circulated to all branches. Branches shall be advised to issue debit cards on mission mode. Each branch performance is to be monitored closely on daily basis, appreciation messages to be sent to top performers to motivate bottom line performers. There is an urgent need for initiating action on mission mode.

DGM, NABARD informed that NABARD is providing Financial Inclusion fund to conduct FL camps by all rural and semi urban branches. Requested to submit the proposal to accord FIP fund sanction by NABARD.

NPCI Representative informed that the advantages of Rupay debit cards and the validity of free insurance coverage of Rs. 2 Lakhs is to be percolated among the customers. Banks can be utilize services of NPCI hired trainers to spread awareness among staff and public. He also advised banks to extend QR code facility to all street vendors.


DGMs of Indian Bank, IOB and BOB elaborated the kind of initiatives being adopted in their banks to increase the digital transactions.

General Manager, Reserve Bank of India advised the state Controllers of banks to devise suitable strategies and monitoring mechanism to speed up the process and ensure significant growth in digital banking parameters.

Asst. General Manager, SLBC, explained that, it was resolved in 208 SLBC meeting to select YSR Kadapa district to make 100% digital district within a time period of one year. The reasons to select YSR Kadapa is one among 3 aspirational districts in our state which includes Vizianagaram and Vizag. However YSR Kadapa had a cut above statistics in terms of literacy rate, penetration of banking channels. He added that a combined field visit was undertook by GM, RBI along with SLBC representative on March 5, 2020 to review the implementation of the project at field level, besides having a meeting with District Collector, who assured to extend all assistance to banks to achieve the goal of making YSR Kadapa 100% Digitally Enabled.

After fruitful discussion, the forum resolved the following.

- State level controllers of the Banks to look into the data extraction/compiling process and ensure that data in respect of YSR Kadapa District submitted to RBI /SLBC/LDM is accurate and complete in all respects.
- The quarterly /monthly data submitted from the quarter ended December 31, 2019 onwards may be re-checked by banks and corrected data may submitted to RBI and SLBC Convenor . The banks which are satisfied that there are no errors in the data submitted by them so far, may confirm the same to RBI and SLBC Convenor.
- Bank Controllers shall issue internal circular to all their branches in YSR Kadapa district stipulating Branch wise Targets and monitor the progress at branch level in a very focused manner.



- Each Bank functioning in YSR Kadapa District to make one person responsible for submission of accurate data on monthly basis according the RBI designed format.
- Any specific issues/ constraints faced by Banks in implementation of the project may be brought to the notice of SLBC/RBI to sort them out with the help of State Government and other stakeholders.
- All Banks functioning in the YSR Kadapa district to observe special Financial literacy campaign on digital banking channels from June 22, 2020 to June 26, 2020 with theme of "educating and enrolling for Rupay Debit Card issuance.
- LDM of YSR Kadapa to collate the daily progress report from all the banks, and submit to SLBC and RBI for the purpose of review of each bank performance.
- SLBC to arrange to undertake field level survey to identify the gaps.
- Banks shall initiate suitable steps to create awareness among its branch staff in Kadapa about the project for making the district 100% Digitally enabled and build a spirit of competition among branches by devising suitable measures for appreciating branches/staff showing good progress in achieving the objectives, while counseling poor performing branches/staff.
- Bank may approach NPCI to extend for support on imparting training to bank staff and conducting awareness camps.

(Action: All Banks in YSR Kadapa District, SLBC of AP, LDM YSR Kadapa District)

Agenda 2

AGM SLBC informed that, as per High level committee recommendations on Deepening of Digital payments, a subcommittee was constituted and steps to be initiated for Deepening of digital payments were circulated among the stockholders.

Member Banks are advised to report progress regularly to SLBC for onward submission to RBI.

(Action: All Banks, SLBC of AP)

The meeting was concluded with vote of thanks.



List of Participants

SN	Name	Organization	Designation
1	Sundaram Shankar	General Manager	Reserve Bank of India
2	V Brahmananda Reddy	Field General Manager & Convenor	Union Bank of India
3	R. V. Ramana Rao	General Manager	Union Bank of India
4	M. Venkatesh	DY General Manager	Reserve Bank of India
5	B Ramesh Babu	Dy General Manager	NABARD
6	Phaneendra Kumar	Lead	NPCI
7	P V Prasad	Dy General Manager	Indian Bank
8	B Venkata Narayana	Dy General Manager	Indian Overseas Bank
9	T S Ramesh Babu	Dy General Manager	Union Bank of India
10	Ch Raja Sekhar	Dy General Manager	Bank of Baroda
11	V Bhanu Prasad	Circle General Manager	APCOB
12	Kota Ajay Paul	Assistant General Manager	Union Bank of India
13	J Anjaneya Chari	Lead District Manager, YSR Kadapa	Canara Bank
14	M S Sai Charan	Manager	Reserve Bank of India
15	B Ravishanker	Manager	Reserve Bank of India
16	G Masthanaiah	Assistant General Manager	APGB
17	A Balaji	Chief Manager	State Bank of India
18	M Nageswara Rao	Chief Manager	Punjab National Bank
19	Y Subramanyam	Chief Manager	Bank of Baroda
20	Parla Srinivas	Chief Manager	CGGB
21	N Vinod Kumar	Senior Manager	Canara Bank
22	N Rama Krishna	Senior Manager	Punjab National Bank
23	M Tarun Kumar	Senior Manager	Indian Bank
24	Ch Srikanth	Officer TM	Canara Bank
25	M Narasimhulu	Manager	Indian Overseas Bank
26	PAVLN Murthy	Manager	Union Bank of India
27	K Taraka Rama Rao	Asst. Vice President	HDFC Bank Ltd
28	K V Prasanna Kumar	Senior Manager	Axix Bank Ltd

Note: S No 1 to 4 & 13 to 15 Participants attended the meeting through VC.

