

రాష్ట్ర స్థాయి బ్యాంకర్ల సమితి, ఆంధ్రప్రదేశ్
राज्य स्तरीय बैंकर समिति, आन्ध्र प्रदेश
STATE LEVEL BANKERS' COMMITTEE, ANDHRA PRADESH



కన్వీనర్ : యూనియన్ బ్యాంక్ ఆఫ్ ఇండియా, 2వ అంతస్తు, ఆంధ్రా బ్యాంక్ బిల్డింగ్, ఆర్.ఆర్. అప్పారావు వీధి, విజయవాడ - 520 001

సంయోజక : యూనియన్ బ్యాంక్ ఆఫ్ ఇండియా, 2 మంజిల, ఆంధ్రా బ్యాంక్ బిల్డింగ్, ఆర్.ఆర్. అప్పారావు సడక, విజయవాడ - 520 001
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Lr. No: SLBC /210/83

Date: 30.07.2021

The Controlling Authorities of all Banks and Lead District Managers.

Dear Sir,

Reg: Minutes of the Sub-Committee Meeting(MSME) held on 27.07.2021 via VC.

We enclose herewith the minutes of the Sub-Committee Meeting (MSME) held on 27.07.2021.
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 : Principal Finance Secretary, GoAP, AP Secretariat, Velagapudi.

General Manger, FIDD, Regional Office ,Reserve Bank of India, Hyderabad.

CGM, NABARD, Regional Office, Hyderabad

Director, Industries Department, Govt of AP, Vijayawada.

State Director, KVIC, Vijayawada.

Encl: as above

Proceedings of Sub-Committee (MSME) Meeting

Date : 27.07.2021
Time : 03.00 PM
Venue : Virtual Mode

STATE LEVEL BANKERS' COMMITTEE OF ANDHRA PRADESH

CONVENER: UNION BANK OF INDIA



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Proceedings of Sub-Committee Meeting

A virtual meeting of SLBC Sub-committee was held on 27.07.2021. The meeting was chaired by **Sri V Brahmananda Reddy, CGM UBI & Convener, SLBC of AP**, AGM From RBI, Executives & Senior officers from major Banks, and DGM from NABARD have participated in the meeting.

Chief General Manager UBI & Convener, SLBC of AP extended a warm welcome to the participants and in his opening remarks highlighted the following.

- ❖ DFS, Ministry of Finance decided to review certain GOI flagship programmes being implemented through banks with the SLBC convener bank and respective bank's MD & CEOs.
- ❖ Finance through Stand Up India, PMMY and PMEGP would help in achieving the MSME target. Hence requested banks to participate enthusiastically.
- ❖ Finance to the units located in the industrial clusters is another potential market available to boost MSME credit.
- ❖ Visiting the successful units financed under various Government schemes would motivate the field level bankers for active participation.
- ❖ Timely and accurate data submission to SLBC remains a cornerstone for conducting various SLBC meetings as per the stipulated time norms.
- ❖ DFS, GOI launched PMSVANidhi Scheme - "Sankalp Se Siddhi" Campaign needs a close attention of bankers, aimed at handholding small sections of the country.

The Asst. General Manager and Coordinator, SLBC of AP initiated discussion on agenda items.

Agenda 1: Central Govt. sponsored Schemes

1.1 Stand up India Scheme:

The Assistant General Manager and Coordinator, SLBC of AP submitted that the scheme was launched by Govt of India on 06.04.2016 to encourage entrepreneurship among women, SC/ST communities. As per the scheme guidelines each Bank branch has to facilitate Bank finance between Rs. 10.00 lakh to 100.00 lakhs to atleast 1 Woman borrower & 1 SC/ST beneficiary. The performance of the Banks is being reviewed during SLBC meetings and EC on MSME meeting by RBI. He urged the Banks to report the data accurately including off line sanctions.



Deputy General Manager, NABARD informed that the following changes have since been approved in the Stand Up India Scheme by the Govt of India.

- ❖ The extent of margin money to be brought by the borrower may be reduced from 25% to 'upto 15% of the project cost. However, the borrower will continue to contribute at least 10% of the project cost as own contribution.
- ❖ Loans for enterprises in Activities allied to agriculture' e.g. pisciculture, beekeeping, poultry, livestock, rearing, grading, sorting, aggregation agro industries, dairy, fishery, agriclinic and agribusiness centers, food & agro processing, etc. (excluding crop loans, land improvement such as canals, irrigation, wells) and services supporting these, shall be eligible for coverage under the Scheme.

In view of the broader eligibility of activities, requested the Banks to improve the performance.

Joint Director, Industries department, Govt of AP, highlighted that Industries department has been handholding the scheme by providing subsidy for all activities of SC/ST category beneficiaries and also general category women beneficiaries in certain activities.

The following action points emerged in the meeting.

- ❖ Banks to accord utmost priority to achieve the set targets under the scheme.
- ❖ Banks shall maintain the accuracy and consistency in submission of the scheme for various meetings.
- ❖ Banks shall update the all off line sanctions in Stand Up Mitra Portal to reflect actual performance. **(Action: All concerned Banks)**

1.2 Pradhan Mantri MUDRA Yojana (PMMY):

The Assistant General Manager and Coordinator, SLBC of AP submitted that It is one of the flagship programmes of Govt of India which is launched on 15.04.2015 with an aim to fund the unfunded. Under this scheme Banks can facilitate credit facilities upto Rs 10.00 lakh to borrowers engaged in MSE , Retail & Agri allied activities. He appreciated the performance of the banks during the FY 2020-21 and requested for the same in the current FY.

The following action point emerged in the meeting.

- ❖ Banks to accord utmost priority to achieve the set targets under the scheme



(Action: All concerned Banks)

1.3 Lending to Handloom Weavers – Mudra Scheme:

The Assistant General Manager and Coordinator, SLBC of AP submitted that the progress on implementation of Micro Units Development and Refinance Agency (MUDRA) scheme to the Handloom Weaver & Weaver Entrepreneurs in the state of Andhra Pradesh is another important scheme and would be reviewed in quarterly meetings. Requested the banks to sensitize the branches for early credit decision in view of long pendency of applications.

Joint Director, Handlooms and textiles Govt of AP, highlighted that large number of applications are **pending with Banks** for quite long time. This phenomenon is proscribing the applicants from reapplying to other banks thereby losing the opportunity to avail Bank credit for livelihood. He requested banks to dispose the pending applications immediately with suitable credit decision.

AGM, SLBC of AP requested the department to share the Bank and branch wise details so that Controllers would issue instructions to that concerned branches for speedy disposal of pending applications.

The following action points emerged in the meeting.

- ❖ Handlooms and Textile department shall share branch wise granular details with Banks for speedy disposal of applications.
- ❖ Banks to advise their branches to prioritize the scheme implementation in order to achieve the fixed targets.

(Action: Dept. of Handlooms & Textiles)

(Action: All concerned Banks)

1.4 Performance under PMEGP Scheme:

The Assistant General Manager and Coordinator, SLBC of AP submitted that Prime Minister's Employment Generation Programme (PMEGP) is a credit-linked subsidy programme launched to provide employment opportunities. The scheme is implemented by KVIC, a statutory organization under the administrative control of the Ministry of MSME as the single nodal agency at the national level.

State Director, KVIC informed that the applications are pending for last couple of years in PMEGP portal, which is drawing close attention of the Ministry of MSME. These phenomenon are proscribing the applicants from reapplying to other banks there by losing the opportunity to avail the Bank credit for livelihood. He requested the banks to dispose the pending applications immediately with suitable credit



decision. He further added that as per the guidelines applications are to be disposed within 21 days from the date of receipt.

AGM, SLBC of AP proposed that special attention needs to be paid on branches where applications pendency is above 100 and KVIC staff may personally visit those branches to coordinate with branch head to dispose the pending applications immediately. Also requested the banks and department to work in tandem to ensure timely disposal and sanction of applications in PMEGP portal.

SBI representative informed that because of non-availability of PAN number, bank is not in a position to take credit decision on those applications.

Joint Director, Industries opined that bank wise and branch wise targets to be approved and communicated to the branch level.

AGM, SLBC replied that the same may be approved in DCC meetings at district level.

KVIC State Director informed that for the current financial year no separate targets have been fixed. The previous year targets hold good for current financial year also.

The following action points emerged in the meeting.

- ❖ KVIC shall facilitate a field visit for the banks to showcase the success story of the scheme. *(Action: KVIC AP Unit)*
- ❖ As per the guidelines applications are to be disposed within 21 days from the date of receipt. *(Action: All concerned Banks)*
- ❖ Bank wise and branch wise targets to be approved in the DCC and communicated to the branches. *(Action: All concerned Banks)*

1.5 PMs Task Force on MSMEs:

AGM SLBC informed that as per the recommendations of the PM Task Force on MSME, banks have been advised to achieve a 20% y-o-y growth in credit to micro and small enterprises, a 10% annual growth in the number of micro enterprise accounts and 60% of total lending to MSE sector as on preceding March. These are the statutory benchmarks stipulated by the GOI.

He added that though overall MSME target is achieved, the sub-sector targets remain unmet. RBI is reviewing the bank wise progress during EC on MSME meetings where banks are being told to improve the performance under the parameters which are lagging behind the targets.



1.6 SHG Bank Linkage – Revision of targets FY 21-22:

AGM, SLBC of AP informed that during the 215th SLBC meeting held on 14.06.2021 Convener, SLBC of AP, submitted to the house that the SHG lending is playing a crucial role in improving livelihood opportunities leading to economic empowerment of women, and also asset creation. It was noted that the disbursement during the FY 2020-21 is well above the stipulated targets, however the target projections for FY 2021-22 are not commensurate with the actual disbursements, hence he requested the house to permit to revise the bank lending targets for FY 2021-22.

The action point emerged in the meeting is hereunder.

- ❖ The revised bank-wise SHG lending targets (rural and urban) placed herewith are approved for implementation. **(Action: All concerned Banks)**

1.7 PM SVANidhi (Special Micro-Credit Facility Scheme for providing affordable loan to street vendors) :

AGM SLBC informed that Ministry of Housing and Urban Affairs 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.

He further highlighted that Ministry of Home and Urban affairs and DFS, Government of India jointly announced PMSVANidhi Scheme – “Sankalp Se Siddhi” Campaign from 05.07.2021 to 15.08.2021

The above campaign is aimed at improving the performance in Tier II and Tier III cities. In this context, a VC meeting held on Dt 16.07.2021, Chaired by Additional Secretary, DFS and directions are as follows.

- Banks shall conduct the PMSVANidhi camps as per the schedule i.e 3 camps in a week during the campaign period i.e 05.07.2021 to 15.08.2021.
- Banks have to clear all the pending applications on the portal and the turn around time for credit decision applications should not be more than 15 Days.
- Banks have to re-visit the applications which are rejected on ordinary/flimsy grounds and consider to approve the same.



- Banks shall prioritize to accord second sanction of loan for the fully paid borrowers.
- There will be a fortnightly review for the Bank Heads, State controllers and SLBCs here after.

Action point emerged in the meeting is as follows.

- ❖ All Banks shall scrupulously follow the action plan prescribed by the DFS for the success of above campaign.

(Action: All concerned Banks)



