

**Proceedings of the Meeting with Major Banks  
on  
Issues related to loans extended to farmers,  
against pledge of Bengal gram produce**

**Date: 31.07.2019.**

**Venue:** Room No.129, Ground Floor, 4th Block, A.P Secretariat, Velagapudi

**Time : 11.00 AM**

**State Level Bankers' Committee of Andhra Pradesh**

**Convener  Andhra Bank**

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**Proceedings of the Meeting with Major Banks on Issues related to loans extended to farmers against pledge of Bengal gram produce**

A meeting was convened to discuss on Issues related to Bengal Gram pledge loans following cash incentive GO issued by Govt of AP vide no 59 dated 05.07.2019. The meeting was chaired by Principal Secretary to Government, Agriculture & co-operation Department, GoAP .

**Sri K V Nancharaiah, Convenor, SLBC of AP,** has welcomed the participants and initiated the discussion on the agenda items.

**Sri Y Madhusudana Reddy ,** Principal Secretary, Agriculture & co-operation Department, GoAP has briefly highlighted the scheme guidelines and Government concerns.

- Producers of Bengal Gram crop are reeling under hardships with heavy debts due to lack of remunerative price for their produce as result farmers are forced to store the produce in ware houses/cold storages for longer time.
- Hon'ble Chief Minister, proposed to provide financial relief to these aggrieved farmers and , announced cash incentive of Rs 1500/ quintal for Bengal gram growers who stored their produce at designated ware houses.
- The eligible cash incentive amount under this scheme will be arrived based on following stipulations.
  - a) Maximum 30 quintal per farmer
  - b) 6 quintal/acre for maximum of 5 acres
  - c) Actual owned produce

Lower of above is eligible incentive amount payable to Bengal gram grower.

- The enumeration process for identification of eligible farmers is underway , the eligible farmers list will be finalized after verification with reference to e crop booking or other available records by District Collector's office.
- Government taking all possible precautions to ensure incentive to be reached to actual cultivators only.
- Based on preliminary reports, it is envisaged that around 65000 farmers may be benefitted out these scheme.
- Govt of AP has made a budgetary provision for this scheme.
- The eligible incentive amount will be credited directly to the beneficiary bank account.
- The process of transfer of incentive into beneficiary account will be commenced from first week of August 2019 .
- Govt of AP would transfer the eligible incentive amount to respective farmers account by August month end, to facilitate the framers to meet their loan repayment obligations.
- Requested bankers not exert any coercive action against Bengal Gram crop Pledge loan borrowers till August Month end.

**Sri K V Nancharaiah, Convener, SLBC of AP, highlighted following .**

- Appreciated the GoAP efforts to salvage the financially battered Bengal Gram crop growers.
- Assured that bankers in the AP state would extend possible cooperation to GoAP in implementation of banking related schemes.
- Requested Government to give wide publicity about the cash incentive scheme to clear doubts among non Bengal gram farmers to repay their loans in order to avoid further interest burden.
- Requested participant banker members to oblige the Government appeal on deferring legal action till August Month end in the light of issuance of GO no 59 on special cash incentive to Bengal gram crop growers.

Participated Bankers representatives expressed following concerns.

- ✓ Scope for extending the incentive scheme to other crops
- ✓ Mode of transfer of benefit amount –Bankers requested to transfer incentive amount directly to farmer’s loan accounts.
- ✓ Most of the farmers are not aware of the scheme guidelines and under impression that all farmers will be given the cash incentive benefit.
- ✓ Requested the Government to share beneficiary list among bankers .
- ✓ Requested to make open the channel for Grievances in this matter.

Responding to above Principal Secretary, Agriculture & co-operation Department, GoAP Clarified that

- Govt of AP had received representations from various quarters to extend the scheme for produce of other crops like coriander, turmeric etc and also increase the stipulated ceiling of 30 quintal per farmer. This was not considered by the Government .
- The incentive will be transfer to the beneficiary accounts mentioned I their declaration.
- Due publicity about the scheme will be imparted as soon as incentive amount transfer process starts.
- After enumeration and verification by District Collector office, Godown wise beneficiary list will be circulated to DCC member banks at District level.
- Government will assiduously prepare the eligible farmers list without giving scope to disgruntled element.
- Eligible farmers list will be prepared based on available records with Government.

**After at length meaningful discussion, concurrence has been arrived on following .**

- Banks should not resort to auction of Bengal gram produce till August Month end.
- After stipulated period banks may proceed according to their laid down recovery mechanism for recovery of Overdue Bengal gram pledge loans.
- The eligible beneficiary list to be circulated to all DCC members in respective districts.

The meeting concluded with vote of thanks to the Chair.

**LIST OF PARTICIPANTS**

<b>S.No</b>	<b>Name of the Participant Smt/Sri</b>	<b>Designation</b>	<b>Name of the Bank/ Organisation</b>
1	K V Nancharaiah	Circle General Manager & Convener, SLBC of A.P	Andhra Bank
2	Y Madhusudana Reddy, IFS	Principal Secretary, Agriculture & Co-operation Dept.	Govt. of A.P
3	G Rajasekhar	Joint Director, Marketing Dept.	Govt. of A.P
4	B S Srinivasacharyulu	Asst. Director, Agriculture & Co-operation Dept.	Govt. of A.P
5	Y Siva SankarReddy	Agrl. Officer, Agriculture & Co-operation Dept.	Govt. of A.P
6	Bhuvanendra Takoor	Dy General Manager	State Bank of India
7	K V N Murthy	Dy General Manager	Syndicate Bank
8	D Surendran	Dy General Manager	Canara Bank
9	E Karimlal	Dy General Manager	IDBI
10	Kota Ajay Paul	Asst General Manager, SLBC	Andhra Bank
11	B S Mallikharjunudu	Asst General Manager	State Bank of India
12	Surya Kiran	Asst General Manager	IDBI
13	S Krishna Mohan	Chief Manager	Oriental Bank of Commerce
14	Rafiquddin Shaik	Chief Manager	ICICI Bank
15	Y R Kishore	RHS	ICICI Bank
16	Md. Vajid Ahmed	Senior Manager	Union Bank of India
17	T Srinivas	Senior Manager	Axis Bank
18	P A V L N Murthy	Manager	Union Bank of India
19	Y Rajendra	Manager	Axis Bank
20	M Sudheer Chowdary	Manager	Karur Vysya Bank
21	Upendra Kumar Bangu	Asst. Manager	Indian Bank