

## **LEAD BANK AND LEAD BANK SCHEME –INDIA**

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### **ABSTRACT**

*The Banking industry in India has made considerable progress especially during the last 3 decades, to emerge as one of the accredited agencies of rural development. The orientation towards rural economy gained momentum only after nationalization of major commercial Banks. The various reasons of the banking industry in India took roots mainly in the urban and metropolitan centers and bulk of loans and advances was directed to large and medium scale industries. There is no major attempt was made by banks to finance agricultural sector. The National Credit Council (NCC) was set up in Dec.1967 to determine the priorities of bank credit among various sectors of the economy. The NCC appointed a study group on the organizational framework for the implementation of social objectives in Oct.'1968 under the Chairmanship of Prof. D R Gadgil. Therefore, recommended of the NCC members the adoption of an 'Area Approach' to evolve plans and programmes for the development of an adequate banking and credit structure in the rural areas. This study pointed out the role of Lead Bank Scheme (LBS) is useful for the development of the economy especially in the backward area. The function of the lead banks is especially in the backward area to co- ordinate the efforts of all other commercial banks, financial institutions and other development agencies for bringing about the overall development of the districts .The present paper will give the general outlook and conceptual study of the Lead Bank and Lead Bank Schemes performance in Andhra Pradesh State in India.*

**Keywords: Lead Bank Scheme, Annual credit plans, SLBC, NABARD and RBI.**

### **I. INTRODUCTION**

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India's economy is developing in character. The economic development of the country played the overall role of Liberalization, Globalization and Privatization has successfully been transforming the social economic and commercial aspects. In the two major sector of the country agriculture and industries enjoy functions as the bedrock. There are the strong pillars of this vital branch of the economy in India. Although Indian banking sector has play a crucial role to developing the economic and commercial aspects. The banking industry tries a number of schemes and programmes have been designated and implemented. The strong structure of the Reserve Bank of India had taken a step to promote all the necessary programmes/schemes in all over the country. A scheme like in the year 1969 plays a strategic role in the Indian economy is called "Lead Bank scheme"

### **II. LEAD BANK SCHEME (LBS)**

The study group which was presided over by Prof. DR Gadgil recommended in Oct.'69 the adoption of an "Area approach" for the development of credit and banking in the country on the basis of local conditions. The group suggested earmarking of the districts to Commercial Banks so that they could act as space setters in the districts allotted in providing integrated banking facilities. The Committee of Bankers appointed by RBI under the Chairmanship of Sr. F.K.F. Nariman also endorsed this area approach. RBI accepted the recommendation and formulated the Lead Bank Scheme (LBS) in Dec.'69. Under the Scheme, each district had been assigned to different banks (public and private) to act as a consortium leader to co-ordinate the efforts of banks in the district particularly in matters like branch expansion and credit planning. The Lead Bank was to act as a consortium leader for co-ordinating the efforts of all credit institutions in each of the allotted districts for expansion of branch banking facilities and for meeting the credit needs of the rural economy.

### **III. NEED FOR THE STUDY**

The lead bank which is allotted a specific district is supposed to play the role of 'consortium leader' of all the banking and financial institutions. The first task of a lead bank is to conduct a survey in the district to evolve an action plan for opening branches. Each lead bank is to prepare district credit plan covering all possible bankable projects in the district and allocate credit plan targets among various banks and financial institutions in the district. So that the lead bank scheme implements the credit plans with the help of various financial agencies including commercial banks and monitors the overall performance. This study tries to explore and to know the various lead bank activities in the Districts of Andhra Pradesh in India.

### **IV. REVIEW OF LITERATURE**

**Millind Sathye** in his article "Privatization, Performance and Efficiency-A Study of Indian Banks", examined the impact of privatization on banks' performance and efficiency using data of banks in India for the five year period 1998-2002. He identify that partially privatized banks have performed better as compared to the fully nationalized public sector banks in respect of certain finance performance parameters.

**R.Neelamagam** in his research study entitled, "Institutional Financing to SSI Units" has analyzed the various types of Institutional financing facilities available to Small scale Industrial units in Tamilnadu. The study also highlighted the various subsidiaries provided by the financial institution to promote SSI units.

**Singh, Prakash** has examined in his article "Banks: Look Before You Leep", the performance of **banks** on the basis of different conventional and modern criteria that include parameters like operational efficiency, capital adequacy, earning quality, assets quality, management quality, liquidity etc. and some other operating and financial ratios as modern techniques for evaluating the banks performance.

**V.Rajalakshmi** in her study entitled "A Study of Institutional Support to Marine Small Scale Fisheries in Chidambaram District" undertaken by the has analyzed the role of lead bank and the NABARD in financing marine small scale fisheries in Chidambaram Dist. She has also analyzed the various credit scheme provided to the fisheries industry.

U.C Kulshrestha, in his article entitled , "Working and progress of lead Bank" has analyzed the problem in implanting the lead bank scheme . The study has emphasized the special power of lead bank to control the other bank in the district and to ensure effective monitoring and review the branch-wise progress in the district.

#### **Scope of the Study:**

This study is mainly confined to the lead bank scheme in Andhra Pradesh State Districts only. This study focuses on lead bank activities in the present days.

#### **Objectives of the Study:**

1. To study and review the organisational structure of the Lead Bank Scheme in India;
2. To appraise the recent regulations of the lead banks in India;
3. To identify district wise progress of deposits, advance, CD ratio, priority sector outstanding and branches of lead bank in A.P;
4. To offer suggestions and conclusions of lead bank for better performance.

#### **Research Methodology:**

In order to achieve this end the authors conducted a rigorous review of literature and documentary information germane to the subject matter. The paper is thus purely based on desktop and library research methodology. In this regard articles selected from top banking journals, research papers, diagnostic study reports have been surveyed in making this study.

### **V. OBJECTIVES OF THE LEAD BANK SCHEME**

They were expected to serve as leaders to bring about a co-ordination of co-operative banks, commercial banks and other financial institutions in their respective districts in the interest of district development. The following are major objectives of the lead bank.

1. To identify places suitable for branch expansion;
2. To mobilize the savings of the people in the district and identify the potential areas for agricultural and small industry development;
3. To identify the major bottlenecks in the appropriate agencies to take remedial action;
4. To estimate the current requirements of credit and eradication of unemployment and under employment;

5. Appreciable rise in the standard of living for the poorest of the poor and provision of some of the basic needs of the people who belong to poor sections of the society.

## **VI. FUNCTIONS OF THE LEAD BANK**

In order to achieve the above-mentioned objectives, the Reserve Bank of India spelt out the following functions to be performed by the Lead Bank.

1. To survey the resources and potential for banking development in its district.
2. To survey the number of industrial and commercial units, farms and other establishments which do not have bank accounts, or which depend primarily on money lenders, increasing the resources of such units by additional production through help from the banking system.
3. To examine the facilities for marketing of agricultural produce and industrial production, storage and warehousing and the linking of credit with marketing in the district.
4. To study the facilities for stocking of fertilisers and other agricultural inputs and repairing and servicing of equipments.
5. To recruit and train staff for offering advice to small borrowers and farmers in the priority sectors and for the follow-up and inspection of the end use of loans and assist other primary lending agencies.

## **VII. ROLE OF LEAD DISTRICT MANAGERS (LDMS)**

As the effectiveness of the Lead Bank Scheme depends on the dynamism of the District Collectors and the Lead District Managers (LDMS), with supportive role of the Regional/Zonal Office, the office of LDM should be sufficiently strengthened with appropriate infrastructural support being the focal point for successful implementation of the Lead Bank Scheme. Officers of appropriate level and attitude should be posted as LDMS. Apart from the usual role of LDMS like convening meetings of the DCC/DLRC and periodical meetings of DDM/LDO/ Government officials for resolving outstanding issues etc., the new functions envisaged for LDMS include the following:

1. Drawing up and monitoring the road map for banking penetration;
2. Monitoring implementation of district credit plan;
3. Associate with the setting up of Financial Literacy Centres (FLCs), RSETIs by banks;
4. Associate with organizing financial literacy camps by FLCs and rural branches of banks;
5. Holding annual sensitisation workshops for banks and Government officials with participation by NGOs/Panchayati Raj Institutions (PRIs);
6. Arranging for quarterly awareness and feedback public meetings, grievance redressal etc.

## **VIII. LEAD DISTRICT MANAGERS OFFICE**

For effective functioning, certain minimum organizational requirements are a must for the lead bank. The banks have posted an experienced officer as Lead Bank Officer. Lead District Manager is a spokesman for all the banks in the district. Lead District Manager is also a liaison officer between the credit agencies and Government and development agencies in the district.

Preferably the lead bank officer should be middle management category III and, in case, senior enough to ensure that the bank's branches in the district discharge their functions effectively under his guidance and supervision. Lead District Manager should have experience as a branch manager with particular reference to rural financing and also possessed the necessary aptitude for the work. Lead District Manager is responsible to the controlling authorities (Regional Manager) that supervise the branches in the district. Adequately qualified officers with flair for co-ordinating and development work must be identified and posted as Chief Lead District Manager. The RBI must give adequate importance to the scheme and its revamp and revitalization. The Regional Director of the RBI in each State must take the scheme seriously so that all banks can involve themselves fully in the scheme and its implementation

Lead District Manager should have a supporting staff, at least one junior officer, one field officer, and other necessary clerical and other supports for lead bank scheme. With respect to establishment, he should have a separate office or separate lead bank cell should be provided if his office is situated in the district headquarters.

**Fig: 1 The Hierarchy levels of District Lead Bank Manager**



## **IX. LEAD BANK RESPONSIBILITY**

### **Assignment of Lead Bank Responsibility**

Lead Bank Scheme is administered by the Reserve Bank of India since 1969. The assignment of lead bank responsibility to designated banks in every district is done by Reserve Bank of India following a detailed procedure formulated for this purpose. As on June 30, 2014, 25 public sector banks and one private sector bank have been assigned lead bank responsibility in 671 districts of the country.

State Level Bankers' Committee (SLBC)/Union Territory Level Bankers' Committee (UTLBC) as an apex level forum at State/Union Territory (UT) level coordinates the activities of the financial institutions and Government departments in the State/Union Territory under the Lead Bank Scheme. SLBC Convenorship is assigned to banks for this purpose. As on June 30, 2014, the SLBC/UTLBC convenorship of 29 States and 7 Union Territories has been assigned to 16 public sector banks and one private sector bank.

**X. ASSIGNMENT OF LEAD BANK RESPONSIBILITY IN DISTRICTS OF METROPOLITAN AREAS**

The Lead Bank Scheme (LBS) was applicable to all districts in the country except districts in metropolitan areas. Metropolitan areas were kept out of the Lead Bank Scheme as the reach of banking network in metropolitan areas was quite high in comparison to rural and semi-urban areas in the country. In view of the wide spread challenge of financial exclusion in metropolitan areas, especially among the disadvantaged and low-income groups and to facilitate doorstep banking to the excluded segment of the urban poor and to provide an institutional mechanism for co-ordination between the government and banks, it was decided to bring all districts in metropolitan areas under the LBS. The following table-2 shows the A.P State convener bank and District wise allotted banks.

**Table No.2: List of Andhra Pradesh State Convener Bank and District-Wise Lead Banks**

State	SLBC convener bank	District	District lead bank
Andhra Pradesh	Andhra bank	1. Anantapur	Syndicate Bank
		2. Chittoor	Indian Bank
		3. East Godavari	Andhra Bank
		4. Guntur	Andhra Bank
		5. Kadapa	Syndicate Bank
		6. Krishna	Indian Bank
		7. Kurnool	Syndicate Bank
		8. Nellore	Syndicate Bank
		9. Prakasam	Syndicate Bank
		10. Srikakulam	Andhra Bank
		11. Visakhapatnam	State Bank of India
		12. Vizianagaram	State Bank of India
		13. West Godavari	Andhra Bank

Source: - RBI

**XI. IMPLEMENTATION OF LEAD BANK SCHEME**

**A. Preparation of credit plans**

Planning plays an important role in the implementation of the Lead Bank Scheme and a bottom-up approach is adopted to map the existing potential for development. Under LBS, planning starts with identifying block

wise/activity wise potential estimated for various sectors. The various districts wise Deposits, Advances and CD Ratio are the below Table-3 will show the following.

**Table No.3: District-wise Deposits, Advances & CD Ratio as on 31.12.2016**

SLBC OF A.P.		CONVENOR::ANDHRA BANK		
District-wise Deposits ,Advances & CD Ratio as on 31.12.2016 (amount in crores)				
S.No.	Name of the District	Deposits	Advances	CD Ratio
1	Srikakulam	9239.90	6693.20	72.44
2	Vizianagaram	7474.82	5448.37	72.89
3	Visakhapatnam	39482.64	32928.21	83.40
4	East Godavari	25742.43	27505.10	106.85
5	West Godavari	18485.94	23045.30	124.66
6	Krishna	36070.10	34557.52	95.81
7	Guntur	25427.00	32037.31	126.00
8	Prakasam	11935.22	16560.97	138.76
9	SPS Nellore	12646.96	17374.26	137.38
10	Chittoor	34023.46	18390.79	54.05
11	YSR Kadapa	14033.54	11850.74	84.45
12	Ananthapuram	17428.44	14345.60	82.31
13	Kurnool	14648.76	14490.56	98.92
	<b>Grand Total</b>	<b>266639.21</b>	<b>255227.93</b>	<b>95.72</b>

Source: District Wise Annual Reports

**Interpretation:** The above table-3 will represents the district wise Deposit, Advances and CD Ratio. The overall Deposits amount 266639.21 crores, the district of Vizianagaram in 7474.82 crores amount is the lowest Deposits compare the other districts and the district of Visakhapatnam have in the highest amount of 39482.64 crores. In the district wise Advances amount 255227.93 is the total amount which is the Vizianagaram district goes to the lowest and the district of Krishna 34557.52 crores. The comparison of the CD Ratio the district of Prakasam 138.76% and the Chittoor district is only 54.05%.

### **B. Potential Linked Credit Plans (PLPs)**

Potential Linked Credit Plans (PLPs) are a step towards decentralized credit planning with the basic objective of mapping the existing potential for development through bank credit. PLPs take into account the long term physical potential, availability of infrastructure support, marketing facilities, and policies/programmes of Government etc.

A pre-PLP meeting is convened by LDM during June every year to be attended by the banks, Government agencies, etc., to reflect their views and concerns regarding credit potential (sector/activity-wise) and deliberate

on major financial and socio-economic developments in the district in the last one year and priorities to be set out for inclusion in the PLP. DDM of NABARD will make a presentation in this meeting outlining the major requirements of information for preparing the PLP for the following year. The preparation of PLP for the next year is to be completed by August every year to enable the State Government to factor in the PLP projections.

## **XII. THE PROCEDURE FOR PREPARING THE DISTRICT CREDIT PLAN IS AS FOLLOWS:**

- a) Controlling Offices of commercial banks and Head Office of RRB and DCCB/LDB will circulate the accepted block-wise/activity-wise potential to all their branches for preparing the Branch Credit Plans (BCP) by their respective branch managers. Banks should ensure that the exercise of preparation of branch/block plans is completed in time by all branches so that the Credit Plans become operational on time.
- b) A special Block Level Bankers' Committee (BLBC) meeting will be convened for each block where the Branch Credit Plans will be discussed and aggregated to form the Block Credit Plan. DDM and LDM will guide the BLBC in finalizing the plan ensuring that the Block Credit Plan is in tune with the potentials identified activity-wise including in respect of Government sponsored programmes.
- c) All the Block Credit Plans of the district will be aggregated by LDM to form the District Credit Plan. This plan indicates an analytical assessment of the credit need of the district to be deployed by all the financial institutions operating in the district and total quantum of funds to be earmarked as credit by all the financial institutions for a new financial year. The Zonal/Controlling Offices of banks, while finalizing their business plans for the year, should take into account the commitments made in the DCP which should be ready well in time before the performance budgets are finalized.
- d) The District Credit Plan will be placed before the DCC by the Lead District Manager for final acceptance/approval. All the District Credit Plans would eventually be aggregated into State Level Credit Plan to be prepared by SLBC convenor bank and launched by 1st of April every year.

## **XIII. MONITORING THE PERFORMANCE OF CREDIT PLANS**

The performance of the credit plans is reviewed in the various fora created under the lead bank scheme as shown below:

**Table No.4: The performance of the credit plans**

At Block Level	Block Level Bankers' Committee (BLBC)
At District Level	District Consultative Committee (DCC) & District Level Review Committee (DLRC)
At State Level	State Level Bankers' Committee (SLBC)

**Source:** SLBC Reports

## **XIV. BLOCK LEVEL BANKERS' COMMITTEE (BLBC)**

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BLBC is a forum for achieving coordination between credit institutions on one hand and field level development agencies on the other. The forum prepares and reviews implementation of Block Credit Plan and also resolves operational problems in implementation of the credit programmes of banks. Lead District Manager of the district is the Chairman of the Block Level Bankers' Committee. All the banks operating in the block including the district central co-operative banks and RRB, Block Development Officer, technical officers in the block, such as extension officers for agriculture, industries and co-operatives are members of the Committee. BLBC meetings are held at quarterly intervals. The LDO of RBI and the DDM of NABARD selectively attend the meetings of the BLBCs. The representatives of Panchayat Samitis are also invited to attend the meetings at half yearly intervals so as to share their knowledge and experience on rural development in the credit planning exercise.

### **XV. DISTRICT CONSULTATIVE COMMITTEE (DCC)**

#### **A. Constitution of DCC**

DCCs were constituted in 1970s as a common forum at district level for bankers as well as Government agencies/departments towards coordination of activities in implementing various schemes under Lead Bank Scheme. The District Collector is the Chairman of the DCC meetings. Reserve Bank of India, NABARD, and all the commercial banks in the district, co-operative banks including District Central Cooperative Bank (DCCB), RRBs, various State Government departments and allied agencies are the members of the DCC. The Lead District Officer (LDO) represents the Reserve Bank as a member of the DCC. The Lead District Manager convenes the DCC meetings. The Director of Micro Small and Medium Enterprises Development Institutes (MSME-DI) is an invitee in districts where MSME clusters are located to discuss issues concerning MSMEs.

#### **B. Conduct of DCC Meetings**

- i) DCC meeting should be convened by the lead banks at quarterly intervals.
- ii) At the DCC level, sub-committees as appropriate may be set up to work intensively on specific issues and submit reports to the DCC for its consideration.
- iii) DCC should give adequate feedback to the SLBC on various issues that needs to be discussed on a wider platform, so that these receive adequate attention at the State Level.

The following table-5 will identify the various priority sectors planning the advances and their outstanding levels in each districts of Andhra Pradesh.

SLBC OF A.P.										CONVENOR::ANDHRA BANK
District-wise Priority Sector Advances Outstanding as on 31.12.2016 (amount in crores)										
S.No.	Name of the District	Short Term Production Loans	Agri.Term Loans	Farm Credit	Agr. Infra.	Ancillary Activities	Total Agri. Advances	MSME	Others' under Priority Sector including Export Credit	Total Priority Sector
1	Srikakulam	2378.19	1002.80	3380.99	8.72	71.50	3461.21	866.66	884.76	5212.63
2	Vizianagaram	1796.20	813.88	2610.08	22.59	52.54	2685.21	847.89	990.95	4524.05
3	Visakhapatnam	2749.24	1662.44	4411.68	22.03	217.23	4650.94	6380.51	4081.50	15112.95
4	East Godavari	7047.75	2983.79	10031.54	100.36	964.77	11096.67	4073.99	4532.23	19702.89
5	West Godavari	9902.89	3034.19	12937.08	76.10	612.79	13625.97	2729.67	2198.97	18554.61
6	Krishna	7557.96	3044.17	10602.13	52.98	383.34	11038.45	5668.35	3240.96	19947.76
7	Guntur	8490.48	2760.11	11250.59	133.08	759.97	12143.64	6471.76	3147.73	21763.13
8	Prakasam	5660.58	2513.26	8173.84	31.74	326.98	8532.56	2695.11	2361.09	13588.76
9	SPS Nellore	4054.43	2128.98	6183.41	35.40	589.01	6807.82	2437.46	1371.37	10616.65
10	Chittoor	5409.52	2273.62	7683.14	15.44	182.14	7880.72	2611.50	1770.15	12262.37
11	YSR Kadapa	4152.75	1385.39	5538.14	33.57	58.33	5630.04	1914.93	1102.83	8647.80
12	Ananthapuram	5652.34	2151.27	7803.61	20.71	41.86	7866.18	2121.79	1142.73	11130.70

**Table No.5: District-wise Priority Sector Advances Outstanding as on 31.12.2016**

**Sources:** SLBC of A.P.

**Interpretation:** The above table-5 will represent the district wise Priority Sector Advances. The overall priority sector amount 171237.76 crores, the district of Srikakulam in 5212.63 crores amount is the lowest advances compare the other districts and the district of Guntur have in the highest amount of 21763.13 crores.

#### **XVI. STATE LEVEL BANKERS' COMMITTEE (SLBC)**

The State Level Bankers' Committee (SLBC) has been constituted in April 1977, as an apex inter-institutional forum to create adequate coordination machinery in all States, on a uniform basis for development of the State. SLBC is Chaired by the Chairman & Managing Director (CMD) of the convenor bank/Executive Director of the convenor bank. It comprises representatives of commercial banks, RRBs, State Cooperative Banks, RBI, NABARD, heads of Government departments including representatives from National Commission for Scheduled Castes/Tribes, National Horticulture Board, Khadi & Village Industries Commission etc. and representatives of financial institutions operating in a State, who come together and sort out coordination problems at the policy implementation level. Representatives of various organizations from different sectors of the economy like retail traders, exporters and farmers' union etc. are special invitees in

SLBC meetings for discussing their specific problems, if any. The SLBC meetings are held on quarterly basis. The responsibility of convening the meetings of the SLBC would be that of the SLBC convenor bank of the State. Recognizing that SLBCs, primarily as a committee of bankers at State level play an important role in the development of the State, illustrative guidelines on the conduct of State Level Bankers Committee (SLBC) meetings have been issued.

To improve the effectiveness and streamlining the functioning of SLBC/UTLBC meetings, SLBC convenor banks have been advised to prepare a yearly calendar of programme (calendar year basis) in the beginning of the year itself, for conducting the meetings. The calendar of programme should clearly specify the cut off dates for data submission to SLBC and acceptance thereof by SLBC convenor. This yearly calendar should be circulated to all the concerned as an advance intimation for blocking of future dates of senior functionaries of various agencies like Central Government, State Governments, banks and RBI, etc

## **XVII. LEAD BANK SCHEME BY RBI**

### **Monitoring of LBS by RBI - Monitoring Information System (MIS)**

1. Data on Annual Credit Plan (ACP), is an important element to review the flow of credit in the State. The erstwhile ACP reporting formats comprising of the ACP statement for target (ACP Statement I) and achievement (ACP Statement II) have been revised in such a way that Annual Credit Plans are prepared with the sub sectors Agriculture & allied activities, Micro and Small Enterprises, Education, Housing and others under priority sector and Medium Industries, Large industries, Education, Housing and others in the non priority sectors. Thus, at present, the reporting statements for ACP target are LBS-MIS-I statement for disbursement and outstanding LBS-MIS –II and ACP achievement vis-à-vis ACP target LBS-MIS-III. Lead banks/SLBC convenor banks have been advised, to prepare the bank group wise statements of LBS-MIS –I, II and III as per prescribed formats starting for the year 2013-14 and also place these statements for meaningful review in all DCC and SLBC meetings.
2. In order to maintain consistency and integrity of data with the all India data of scheduled commercial banks and meaningful review/analysis of data, the ACP and FIP data needs to be grouped separately for scheduled commercial banks and other banks like State cooperative banks & DCCBs etc. while presenting in the DCC/SLBC meetings and submitting to our regional offices. The data of scheduled commercial banks needs to be further grouped into public sector banks, private sector banks and Regional Rural Banks to know the bank group wise position.

## **XVIII. MONITORING OF FINANCIAL INCLUSION PLANS (FIP) –STATE AND DISTRICT LEVEL**

1. SLBC convenor banks have been advised to compile /consolidate State wise bank group wise Financial Inclusion Plans for the 3 years in the format LBS-MIS- IV after obtaining the same from the controlling offices of all banks in their jurisdiction and to review the progress in SLBC meetings, as per prescribed format LBS-MIS-V.

2. In order to maintain consistency and integrity of data with the all India data of scheduled commercial banks and meaningful review/analysis of data, the FIP data needs to be grouped separately for scheduled commercial banks and other banks like State cooperative banks & DCCBs etc. while presenting in the DCC/SLBC meetings and submitting to our regional offices. The data of scheduled commercial banks needs to be further grouped into public sector banks, private sector banks and Regional Rural Banks to know the bank group wise position.

#### **XIX. MONITORING OF ROADMAP FOR PROVIDING BANKING SERVICES IN VILLAGES WITH POPULATION BELOW 2000**

Under the Roadmap for providing banking services in villages with population below 2000, SLBC convenor banks are advised to monitor the progress of roadmap for covering all unbanked villages with population less than 2000. The quarterly report on the progress made by banks under above roadmap (bank wise in each district) is required to be forwarded by SLBCs to the respective Regional Office of Reserve Bank as per the format prescribed at within 15 days from the close of the quarter.

#### **XX. CONCLUSION AND SUGGESTIONS**

Based on the literature review the study the following suggestions were provided to explore the development of Lead bank scheme.

1. The bank officials should aware of various Lead bank schemes and they should consider the power of the repayment of the beneficiaries before sanctioning the loan;
2. They should visits each branch of the participating bank, at least once in a month; during his visits he should guide the branch manager in removing bottlenecks.
3. They should take proper steps to recover the loan promptly from the beneficiaries.
4. They should bear the responsibility of repaying the loan promptly.
5. The Government should take proper steps to implement new various schemes

Finally, this study is limited to desktop and library review to investigate the reviews of lead banks in India especially the state of Andhra Pradesh. The literature survey indicates that lead bank studies have concentrated in developed banking sector with growing interest in emerging agriculture.

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