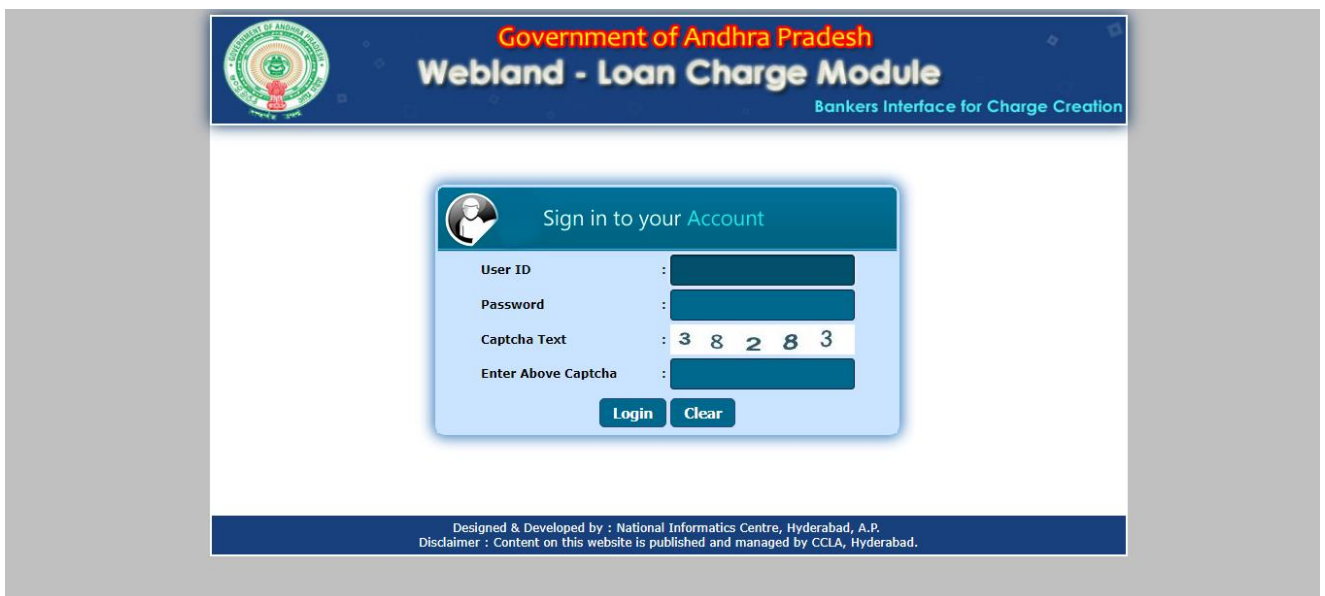


# Case Study

**LOAN CHARGE CREATION Project - an initiative of Government of Andhra Pradesh, developed to curtail bogus and multiple loans issued to the farmers**

**URL- <http://loancharge.ap.gov.in/>**



The screenshot displays the login interface for the 'Government of Andhra Pradesh Webland - Loan Charge Module'. The header features the state emblem and the text 'Government of Andhra Pradesh Webland - Loan Charge Module' with the subtitle 'Bankers Interface for Charge Creation'. The main content area contains a 'Sign in to your Account' form with the following fields: 'User ID', 'Password', 'Captcha Text' (displaying '3 8 2 8 3'), and 'Enter Above Captcha'. There are 'Login' and 'Clear' buttons at the bottom of the form. A footer at the bottom of the page states: 'Designed & Developed by : National Informatics Centre, Hyderabad, A.P. Disclaimer : Content on this website is published and managed by CCLA, Hyderabad.'

**Department of Land Administration, Vijayawada, Government of Andhra Pradesh**

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## **1. EXECUTIVE SUMMARY**

Previously there was no mechanism to verify the records online whether the farmer/individual had multiple loans in two or more banks.

Loan Charge Creation Module is an initiative of Government of Andhra Pradesh and has been developed to curtail bogus and multiple loans issued to the farmers. Using this module, Bankers can verify the land details in adangal and ROR-1B copies and also know whether any loan is taken on the same land. Farmers use to go to banks, provide their pattadar passbooks for availing loans on land for cultivation.

## **2. INTRODUCTION**

Government of Andhra Pradesh has decided to curtail bogus loans and fake pattadar passbooks and also to create comprehensive loan charge database. In the initial stage, access for centralized and digitally signed land records database was provided to all bankers in the state.

Subsequently, a provision to create a charge for a bank loan taken against a particular land was also provided to all financial institutions. The basic features are-

- Provide access to Banks to view adangal, record of rights to identify the farmer
- Verification of crop particulars.
- Interface for Loan Charge Creation/Release.
- Integration with debt relief details

The financial institutions like banks, Primary Agricultural Cooperative Societies (PACS) and Sub Registrar offices of Registration Department spread across the State of Andhra Pradesh are covered under the application. Nearly 78 lakhs of farmers, 2.25 crores people of the State are covered under the project.

Nearly 61 Major Banks, PACS and District Cooperative Central Bank (DCCBs) having 6000 branches are using this application to deliver the loans and for creating charges on the land.

## **3. OVERVIEW OF THE CHAMPION**

Shri P. Ranjit Basha, Deputy Collector and the then Project Director (Computerization of Mandal Revenue Offices) headed this project. He is currently working as OSD to Minister for Panchayat Raj, Rural Development and IT of Andhra Pradesh. He has 18 years of experience in design, development and implementation of e-Governance projects. He is one of the State level Team Member in designing and implementation of Meeseva (National e-Governance Awarded) project in the State of Andhra Pradesh.

He had played a pivotal role in the implementation of the project which benefited more than 86 lakhs of farmers, 65 major banks and citizens of the State. Project delivered huge savings to the Government exchequer by curtailing bogus, multiple loans and fake pattadar passbooks in the State.

Another IT initiative e-Crop conceptualized by him was included in a book released by the Prime Minister on Civil Services Day 2017.

### **Experience of the Champion:**

Under this module, an interface to the real-time database of land records was extended to the Bankers. This has addressed the menace of fake land records, multiple loans against

same land, bogus loans etc. It brought all stakeholders, farmers, cultivators, bankers, Department of Registration and Revenue on a single platform for verification and reconciliation and saved rupees to the public exchequer.

This project was initiated with holistic approach and implemented in the systematic manner by completing the major activities like Aadhaar integration with land record, e-crop app, Geo-tagging of land parcels, integration of Registration Department, creation of Loan database. Subsequently, the entire information made available to the banker for verification of land, crop, genuine farmer and owner particulars while issuing loans or any other benefits on the land along with a provision for entering the loans sanctioned so that other bankers can verify the loan or mortgage details online in real-time basis. Software was developed by the National Informatics Center (NIC).

#### **4. PROJECT OVERVIEW/HISTORY OF THE PROJECT**

Earlier the data was maintained at each Tahsil office and after the decision for initiation of Webland, it has been decided that the entire 2 crore land records database has been ported to State Data Centre with high end security privileges, and the data authentication is with the technology of Digital Signing, the entire database has been digitally signed and started delivery of citizen centric services through MeeSeva with 2 services in the year 2011 and today it is catering all the major high impact 8 number of services. And also it has incorporated the reform of the Mutation workflow through technology automation and entire Mutation is processing through Webland system and now, Department is proudly delivering the e- passbook through Web land system and automated process. Now Webland is playing the backbone for mission MeeBhoomi for accessing of land records through online public web portal. It is also automating to integrate the spatial data to the existing textual data. In the era of integration with Department, it has integrated with CARD (Computer Aided Registration Department) system for automation of Mutation and Land registration process.

For legal Sanctity to the Land Records database and Loans entered by the Banks, necessary amendments to the A.P. Record of Rights Act, 1971 and Rules are also been done.

## Comparison of the old manual process and the LOAN CHARGE CREATION MODULE-

<b>Manual Process</b>	<b>Loan Charge Creation Module</b>
Farmer had to submit a copy of the latest adangal to the bank while applying for crop loan	Banker can view the adangal and 1-B copy of the farmer on the loan charge website
Bank sent the details of the crop loan requisition by the farmer in the prescribed format i.e. Form – IV A (Intimation by any person regarding acquisition of rights) to the concerned Tahsildar for the endorsement of the land details	Banker will directly verify the land details of the farmer by comparing his passbook details with the online adangal and PPB details from the loan charge website.
The farmer had to submit a “No Dues” certificate for a loan amount beyond Rs.25,000 from the other banks of his mandal jurisdiction to the bank branch from where he is requesting for a crop loan	There is no need of any “No dues” certificate as banker will automatically verify through this website whether the farmer has previously taken any loans from any bank and will sanction or reject the loan accordingly
There is no database on number of loans taken by a farmer from different banks, which lead to the bogus loans	There is a database showing the details of number of loans taken by a farmer from different banks which curtails bogus loans
If any error is found in Farmers details when his Adangal or 1-B data is compared with Webland, loan is not sanctioned until the farmer gets it updated by concerned Tahsildar	If farmer details are not getting updated in Webland during verification by the Banker, Banker can put update request to the concerned Tahsildar in the loan charge Website and Tahsildar will view these requests in his dashboard in Webland and can update these records according to the procedure.

### **5. SITUATION IN CHAMPION’S STATE/ DISTRICT**

People used to get multiple loans from different banks on the same piece of land. It was also noticed that some people are submitting fake pattadar passbooks and certificates to the banks for getting loans. In order to avoid or curtail these fake, bogus and multiple loans, “Loan Charge Creation Project” has been launched. Using Loan Charge Creation module, Bankers can verify the land details in adangal and ROR-1B copies and also know whether any loan is taken on the same land. They can identify the farmer by aadhaar number, photograph and land usage, crop pattern etc.

**5.1 Beneficiaries** - Government of Andhra Pradesh, Revenue Department, Agriculture Department and Financial institutions like banks, PACS etc.

**5.2 Problems Identified** - A Workshop/Training session was also convened for master-users of all banks in coordination with NIC wherein some minor issues were discussed during the interaction. Problems identified were:

- Sanctioning of Loan to a farmer depending upon Survey Number or Khata number.
- Rectifying the error where Few Bankers have entered Account Numbers in Loan Amount Column.
- Entering of the details in cases where Loan Amount is higher than 10 Crores.
- User IDs were not available for IT-Administrators / Bank Administrators in AFD (Agriculture Finance Divisions).
- There is no restoration of deleted Khata Numbers which are deleted without updating the extent details of farmer due to which farmer is not sanctioned loan by the bankers.

**5.3 Strategy Adopted** - Government of Andhra Pradesh has started leveraging the technology to computerize the manual Land Records, after which the implementation of reforms in the existing system for effective management of land records were taken up to deliver land related G2C services to the public and also to keep land records up to date in the web land.

- Aadhaar seeding with pattadar details: by utilising UIDAI data.
- Issuance of ePattadar Passbook: Mutation process already available in Webland system and utilising this concept, the system has been designed to process the entire workflow in webland for generation and delivery of ePattadar passbook with 13 security features. The application request is through MeeSeva .
- Integration with banks and other financial institutions: it has been integrated with banks through web services to avoid bogus beneficiaries, fake passbooks and multiple loans.

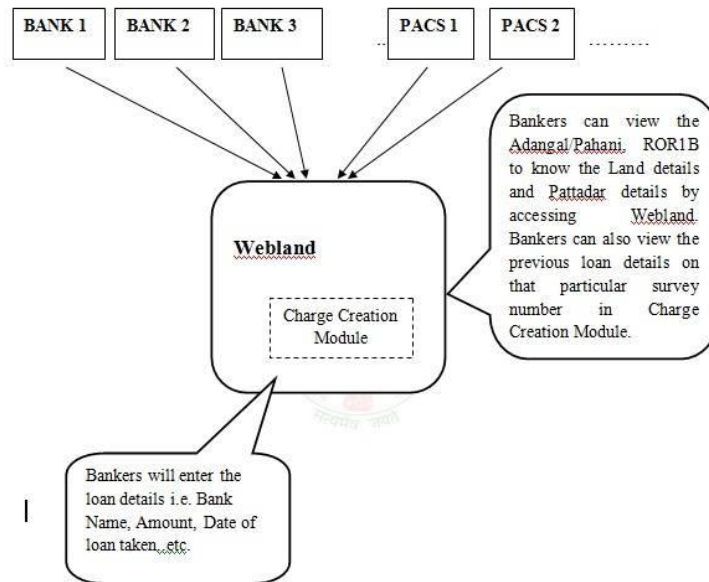
## **6 MODALITIES OF THE NEW SYSTEM (SOLUTION)**

Loan Charge Creation Module has been developed to curtail bogus and multiple loans given to the farmers by providing access to banks to view adangal, ROR 1B and facility to create loan charge against a Survey Number. In order to avoid or curtail these fake, bogus and multiple loans, Loan Charge Creation Module has been launched in 2014.

### **6.1 Technology Platform used**

**6.1.1 Description-** .NET framework 3.5, visual studio (IDE), SQL server 2012 with high availability, IIS 8.0, xml web services.

**6.1.2 Interoperability-** In integration with Bankers, Revenue Department, Registration Department officials can view the loan details of the farmer. Banker has the facility to close the charge when the farmer clears the loan.



**6.1.3 Security Concerns-** Authentication to portal is through User id/Password and captcha check. The password is MD5 encrypted. The application software is thoroughly audited for security vulnerabilities before hosted live.

**6.2 Citizen Centricity**

**6.2.1 Impact on effort, time and cost incurred by user:** Farmers need not produce any land related documents i.e., adangal, ROR, PPBS for availing loans. The above benefits can be extended to Agriculture sector and also for availing input subsidy. Farmers get loans faster due to the availability of documents online to the Banks through Webland. Farmers will have the facility to see the status of all their loan accounts at one place. A Farmer who is going to purchase the land can verify the charges, if any, existing on the land. This provision is under consideration of Government.

**6.2.2 Grievance mechanism:** A Mechanism of grievance system has been provided in Bankers login to send the grievance of the farmer if the banker found any entries in the adangal that are shown incorrect.

Note: పిల్లారుని పేరు, అనుబంధదారుని పేరు, అడార్ నెంబర్ లో మార్పులను అన్ని నిర్వ సెంబర్లో చేయవలసినం లేదు. ఒక్క నిర్వ సెంబర్ లో మాత్రమే చేయవలెను.



**6.2.3 Audit Trails:** Database Level Audit trail is maintained with IP number of the client system used for data operations, user-id logged in, date stamping of the database records.

**6.2.4 Interactive platform for service delivery:** Banker can verify the details of the farmer by verifying his Adangal and ROR 1B through Loan charge website. It will be beneficiary for genuine farmers who avail the crop loans for agriculture purpose.

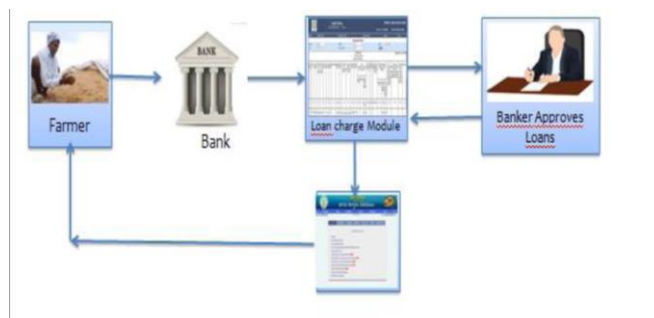
వరుస సంఖ్య	సర్కిల్ నెం	పూర్తి విస్తీర్ణం	సాగుకాని పంట విస్తీర్ణం	సాగుకాని పంట విస్తీర్ణం	భూమి విస్తీర్ణం	శివు (హె.)	భూమి విస్తీర్ణం	జలాధారము	అయిత్తం విస్తీర్ణం	భూమి విస్తీర్ణం	పట్టణాధార పేరు (తండ్రి/తల్లి పేరు)	అనుబంధ పేరు (తండ్రి/తల్లి పేరు)	అనుబంధ పేరు (తండ్రి/తల్లి పేరు)	అనుబంధ పేరు (తండ్రి/తల్లి పేరు)	భూమి విస్తీర్ణం / సాగుకాని భూమి విస్తీర్ణం	సీఎస్ టి / రేట్	సాగు పంట	పంట విస్తీర్ణం / విస్తీర్ణం	విస్తీర్ణం / విస్తీర్ణం	2	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 / 19	20	21	22	23/24
1	1-2	1.5600	0.0000	1.5600	పట్టణ	312.00	నీటి	-	1.5600	182	అనుబంధ పేరు (సాగు)	అనుబంధ పేరు (సాగు)	0.3900	వారం	-	0.0000	-	-	-	-	-

**6.2.5 Stakeholder consultation:** Webland has integrated with other Departments like Registration & Stamps Department to verify the land records during Registration, also integrated with financial institutions like Banks through Loan Charge Portal to verify the land record data of a farmer who visits the bank to avail the loan on agriculture.

**6.3 User Convenience**

**6.3.1 Service delivery channels (Web, email, SMS etc.):** The service Delivery channel is purely based on web application. Charge creation report will be shown in the loan charge module.

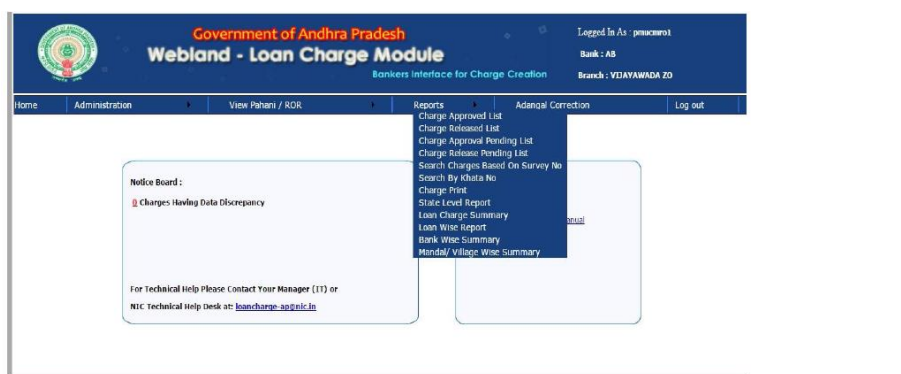
**6.3.2 Completeness of information provided to the users:** Digitally Signed records of Adangal and ROR 1B can be viewed in Meebhoomi Portal and can be obtained from any Meeseva center. Farmers can visit the bank for availing crop loan with Adangal and ROR 1B copies and Banker can view the record details in loan charge website and can approve the loan.



**6.3.3 Accessibility (Time Window):** Functionality of the application is live and works 24/7 to access the data, all the authenticated credentials will be automatically recorded for time being and these can be used for data verification and auditing purpose.

**6.3.4 Facility for online/offline download and online submission of forms:** Loan charge creation and approval can be done in online process only.

**6.3.5 Status Tracking:** Status tracking reports are provided in the module



## 6.4 Efficiency Enhancement

### 6.4.1 Volume of transactions processed

As on 19.09.2016,

Number of loans	28.53 Lakh
Number of farmers	29.12 Lakh
Extent covered	205 Lakh Acres
Survey Numbers covered	96.77 Lakh
Loan Amount	21,980.96 crores Loan Details have been entered

**6.4.2 Coping with transaction volume growth:** By integrating with delivery channels through Web Service method in dynamic updating.

**6.4.3 Time taken to process transactions:** There is no batch processing. Transaction is committed online and is instant within a few milliseconds on real time basis.

**6.4.4 Accuracy of output:** By way of 'Maker and Checker' mechanism, the process of loan charge creation will be created and accepted by the banker.

**6.5 Capacity Building & Organizational Sustainability:** Training is imparted to the trainers from the Banks and other Departments. NIC conducts Training of Trainers (ToT) on a demand basis.

**6.6 Accountability:** Clear accountability system has been framed and implemented across the State, as part of administrative framework to monitor the performance of the office dynamic MIS report system.

**LOAN APPROVED LIST REPORT**

Branch	A/C No.	Borrower Name	Account Father Name	Village	Khata No.	Survey No.	Pattadar Name	Pattadar Father Name	Occupant Name	Occupant Father Name	Total Extent	Crop Season	Name of the crop	Loan Amount	Date Of Disbursement	Due Date
DCCB-Srikulam-Palakonda-Palakonda	66	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	కడకల్ల	49	11-14	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	0.2000	ఫర్వదీ	సబ్	48000.00	21/02/2012	-
DCCB-Srikulam-Palakonda-Palakonda	66	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	కడకల్ల	49	136-5	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	0.2600	ఫర్వదీ	సబ్	48000.00	21/02/2012	-
DCCB-Srikulam-Palakonda-Palakonda	66	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	కడకల్ల	49	136-9	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	0.1500	ఫర్వదీ	సబ్	48000.00	21/02/2012	-
DCCB-Srikulam-Palakonda-Palakonda	66	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	కడకల్ల	49	151-2	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	0.2600	ఫర్వదీ	సబ్	48000.00	21/02/2012	-
DCCB-Srikulam-Palakonda-Palakonda	66	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	కడకల్ల	49	157-14	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	0.1400	ఫర్వదీ	సబ్	48000.00	21/02/2012	-
DCCB-Srikulam-Palakonda-Palakonda	66	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	కడకల్ల	49	158-6	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	గింట బయలపల్లి	శేషు ఉప్పెండ్రనాయుడు	0.0650	ఫర్వదీ	సబ్	48000.00	21/02/2012	-

**LOAN RELEASED LIST REPORT**

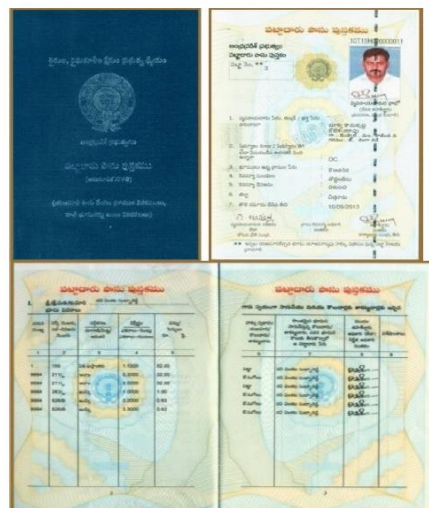
Branch	A/C No.	Borrower Name	Account Father Name	Village	Survey No.	Pattadar Name	Pattadar Father Name	Khata No.	Occupant Name	Occupant Father Name	Total Extent	Crop Season	Name of the crop	Loan Amount	Date Of Disbursement	Due Date	Created On	Approved On
DCCB-Srikulam-Palakonda-Palakonda	776	KILLARI SUGUNAKARARAO	SRIRAMULUNAIIDU	చినమంగలపల్లె	259	కీళ్లారె మంగళమ్మమ్మ	కీలామలు	290	కీళ్లారె మంగళమ్మమ్మ	కీలామలు	0.1000	ఫర్వదీ	వెడస	60000.00	12/12/2011	-	31/08/2015	10/10/2015
DCCB-Srikulam-Palakonda-Palakonda	776	KILLARI SUGUNAKARARAO	SRIRAMULUNAIIDU	చినమంగలపల్లె	264	కీళ్లారె మంగళమ్మమ్మ	కీలామలు	290	కీళ్లారె మంగళమ్మమ్మ	కీలామలు	1.3900	ఫర్వదీ	వెడస	60000.00	12/12/2011	-	31/08/2015	10/10/2015
DCCB-Srikulam-Palakonda-Palakonda	789	Duppa Narasimhamurthy	Appalanaidu	పాలకొండ	127-10	దుప్పారె సర్పంచిమ్మమ్మ	అప్పలనాయుడు	269	దుప్పారె సర్పంచిమ్మమ్మ	అప్పలనాయుడు	0.3000	ఫర్వదీ	వెడస	203000.00	26/04/2013	-	31/08/2015	10/10/2015
DCCB-Srikulam-Palakonda-Palakonda	789	Duppa Narasimhamurthy	Appalanaidu	పాలకొండ	323	దుప్పారె సర్పంచిమ్మమ్మ	అప్పలనాయుడు	269	దుప్పారె సర్పంచిమ్మమ్మ	అప్పలనాయుడు	0.4500	ఫర్వదీ	వెడస	203000.00	26/04/2013	-	31/08/2015	10/10/2015
DCCB-Srikulam-Palakonda-Palakonda	789	Duppa Narasimhamurthy	Appalanaidu	పాలకొండ	352-1a	దుప్పారె సర్పంచిమ్మమ్మ	అప్పలనాయుడు	269	దుప్పారె సర్పంచిమ్మమ్మ	అప్పలనాయుడు	0.3000	ఫర్వదీ	వెడస	203000.00	26/04/2013	-	31/08/2015	10/10/2015

**LOAN PENDING REPORT**

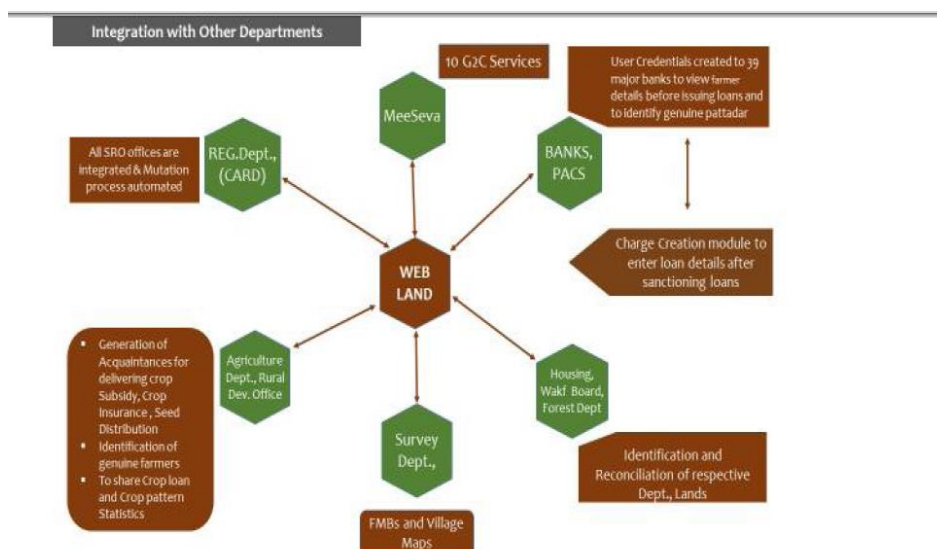
Branch	A/C No.	Borrower Name	Account Father Name	Village	Survey No.	Pattadar Name	Khata No.	Occupant Name	Total Extent	Crop Season	Name of the crop	Loan Amount	Date Of Disbursement	Due Date
DCCB-Srikulam-Palakonda-Palakonda	12	testar	testar	అప్పలనాయుడు	118-11	కొత్తూరి నాథ శంకర్	2	కొత్తూరి నాథ శంకర్	0.0600	ఫర్వదీ	అబ్బాయి	1000000.00	22/07/2016	12/06/2016
DCCB-Srikulam-Palakonda-Palakonda	1233	testt	test	అప్పలనాయుడు	66-3	ఎంకె కొండ	24	ఎంకె కొండ	0.4000	ఫర్వదీ	వాయి	2000000.00	09/08/2016	18/08/2016
DCCB-Srikulam-Palakonda-Palakonda	102	test	test	అప్పలనాయుడు	13	ఇల్లం నాగేశ్వర రావు	116	ఇల్లం నాగేశ్వర రావు	1.1800	ఫర్వదీ	అబ్బాయి	1000000.00	16/07/2016	-
DCCB-Srikulam-Palakonda-Palakonda	10002	testar	testar	అప్పలనాయుడు	53/2a	కమ్మలరాజు సర్పంచిమ్మమ్మ	3	కమ్మలరాజు సర్పంచిమ్మమ్మ	0.5500	ఫర్వదీ	గోదాదేవి	1000093.00	06/07/2016	01/06/2016
DCCB-Srikulam-Palakonda-Palakonda	10004	test	testar	అప్పలనాయుడు	72/2	యాదాని నారాయణ	65	యాదాని నారాయణ	0.9200	ఫర్వదీ	అబ్బాయి	100036.00	01/02/2016	-
DCCB-Srikulam-Palakonda-Palakonda	10004	test	testar	అప్పలనాయుడు	76/3a	యాదాని నారాయణ	65	యాదాని నారాయణ	2.0000	ఫర్వదీ	అబ్బాయి	100036.00	01/02/2016	-

**6.7 Innovation:** RBI has appreciated the innovations and underlined the need to replicate the project elsewhere. Applying reforms in the existing web land system through the concept of auditing the technologies has resulted in programs such as:

**6.7.1 Issuance of e-PBB:** The issuing of Pattadar passbook of land is through electronic delivery mechanism. The front-end accessing is from MeeSeva application and further request is processed through Department database for land records (WebLand) and then processed by using digital signature. Pattadar passbook will be delivered through courier and SMS interface available at all levels to trace the delivery.



**6.7.2 Integration with other Departments:** In the scope of Data accuracy and convenience to other Departments, Webland system has been integrated with several Departments w.r.t. Department's requirements.



**6.8 Appropriate Delegation:** Chief Commissioner of Land Administration is the competent authority for design of the system and issues necessary instructions to

implement required reforms in the system and also issues administrative authorities to field functionaries to functionalize the system at district level. District Collectors are basically responsible for implementation of the system. In the Mandal level, Tahsildar will verify the records and implement the system. National Informatics centre is selected for development agency for the system.

## **7 IMPACT ON THE STAKEHOLDERS/BENEFICIARIES**

### **7.1 To organization**

Curtail bogus loans by verification of online records through banker login. There is much saving to the Government exchequer in terms of amount of bogus loans.

### **7.2 To citizen**

Genuine farmer can be benefited by this mechanism. The delivery of benefits under schemes is made easier now with this innovation.

### **7.3 Other stakeholders**

Government Departments are now integrating with WebLand to access the data for genuineness, integrated with banks to avoid duplicate beneficiaries, access for other financial institutions, provision for other Departments to integrate with the system to reconcile the data and to avoid multiple and fake beneficiaries of Government schemes.

## **8 FUTURE ROADMAP / SUSTAINABILITY**

Through this approach, G2C services are enhanced so that the benefits to the genuine beneficiaries are delivered in the mean time without manipulation. The project is scalable by robust infrastructure at State Data Centre and application efficiency. The existing system must be measured in terms of data accuracy and application development. This innovation is unique in the entire country. GoAP is always forefront to encourage the technology revolutions in the Government sector and public sector and also there are no restrictions to rollout and replicate.

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# 9. Teaching Notes

## **Loan Charge Creation Module- an initiative of Government of Andhra Pradesh, developed to curtail bogus and multiple loans issued to the farmers**

### **1. OVERVIEW**

Loan Charge Creation Module is an initiative of Government of Andhra Pradesh and has been developed to curtail bogus and multiple loans issued to the farmers.

To avail the loans on land for cultivation, farmers use to go to banks, provide their pattadar passbooks for availing loans, previously, there is no mechanism to verify the records online whether the farmer/individual has multiple loans in two or more banks.

Government of Andhra Pradesh has decided to curtail bogus loans and fake pattadar passbooks and also to create comprehensive loan charge database. In the initial stage, access for centralized and digitally signed land records database was provided to all bankers in the State. Subsequently, a provision to create a charge for a bank loan taken against a particular land was also provided to all financial institutions.

The financial institutions like banks, Primary Agricultural Cooperative Societies (PACS) and sub registrar offices of Registration Department spread across the State of Andhra Pradesh are covered by the application. Nearly 61 Major Banks, PACS and DCCBs having 6000 branches are using this application to deliver the loans and for creating charges on the land. The banks are issuing loans to the farmers, land owners, cultivators for various purposes.

### **2. TEACHING OBJECTIVES**

#### **➤ Learning Objectives**

- As-Is situation analysis and identification of pain points in the existing delivery process.
- Importance of innovation and technology to bring transparency and proper accountability.

#### **➤ Challenges/Issues Faced**

##### Challenges in the Existing Process

- Multiple loans being issued from different banks on the same piece of land
- Submission of fake pattadar passbooks and certificates to the banks for getting loans



## Challenges/Constraints in the Implementation

A Workshop/Training session was also convened for master-users of all banks in coordination with NIC wherein some minor issues were discussed during the interaction. Problems identified were:

- Sanctioning of a Loan to a farmer depending upon Survey Number or Khata number.
- Rectifying the error where Few Bankers have entered Account Numbers in Loan Amount Column.
- Entering of the details in cases where Loan Amount is higher than 10 Crores.
- User IDs were not available for IT-Administrators/Bank Administrators in Agriculture Finance Divisions (AFDs).
- There is no restoration of deleted Khata Numbers which are deleted without updating the extent details of farmer, due to which farmer is not sanctioned loan by the bankers.

### ➤ **Ways to Improve the Situation**

#### **Major Features-**

- Provided access to banks to view adangal, record of rights to identify the farmer
- Verification of crop particulars.
- Interface for Loan Charge Creation/Release
- Integration with debt relief details

#### **Strategy Adopted-**

- Aadhaar seeding with pattadar details: by utilising UIDAI data.
- Issuance of ePattadar Passbook: Mutation process already available in Webland system and utilising this concept, the system has been designed to process the entire workflow in webland for generation and delivery of ePattadar passbook with 13 security features. The application request is through MeeSeva Integration with banks and other financial institutions: it has been integrated with banks through web services to avoid bogus beneficiaries, fake passbooks and multiple loans.

### **3. SUGGESTED QUESTIONS & ANALYSIS**

#### **a) What are the data points that must be taken into consideration for the launch of initiatives like Loan Charge Creation Project?**

- Population demographics of the State and its distribution and coverage of delivery centres i.e., financial institutions, etc.
- Aadhaar records of the State, land records database, registration department database
- List of beneficiaries and stakeholders
- Expectation of stakeholders to understand what all facilities they would want from their convenience point of view

**b) What changes were brought in the system using the Loan Charge Creation Project?**

<b>Manual Process</b>	<b>Loan Charge Creation Module</b>
Farmer has to submit a copy of the latest adangal to the bank while applying for crop loan	Banker can view the adangal and 1-B copy of the farmer on the loan charge website
Bank will send the details of the crop loan requisition by the farmer in the prescribed format i.e. Form – IV A (Intimation by any person regarding acquisition of rights) to the concerned Tahsildar for the endorsement of the land details	Banker will directly verify the land details of the farmer by comparing his passbook details with the online adangal and PPB details from the loan charge website.
The farmer has to submit a “No Dues” certificate for a loan amount beyond Rs.25,000/- from the other banks of his mandal jurisdiction to the bank branch from where he is requesting for a crop loan	There is no need of any “No Dues” certificate as banker will automatically verify through this website whether the farmer has previously taken any loan from any bank and will sanction or reject the loan accordingly
There is no database on number of loans taken by a farmer from different banks which lead to the bogus loans	There is a database showing the details of number of loans taken by a farmer from different banks which curtails bogus loans
If any error is found in Farmers details when his Adangal or 1-B data is compared with Webland, loan is not sanctioned until the farmer gets it updated by concerned Tahsildar	If farmer details are not getting updated in Webland during verification by the Banker, Banker can put update request to the concerned Tahsildar in the loan charge Website and Tahsildar will view these requests in his dashboard in Webland and can update these records according to the procedure.

**c) How Loan Charge Creation Project has helped in increasing efficiency and effectiveness in the system?**

Earlier, the data was maintained at each Tahsil office and after the decision for initiation of Web land, it has been decided that the entire 2 crore land records database has been ported to State Data Centre with high end security privileges, and the data is authenticated with the technology of Digital Signing, the entire database has been digitally signed and started delivery of citizen centric services through MeeSeva with 2 services in the year 2011 and today it is catering to all the major high impact 8 no. of services. And also it has incorporated the reform of Mutation workflow through technology automation and entire Mutation is processed through Webland system and now, Department is proudly delivering the e- passbook through Web land system and automated process. Now webland is the backbone for mission MeeBhoomi for accessing of Land Records through Online public web portal. It is also automating to integrate the spatial data to the existing textual data. In the era of Integration with Department it is integrated with CARD (Computer



aided Registration Department) system for automation of Mutation and Land registration process.

The reengineering process includes-

- Integration of aadhaar numbers of the farmer in land records
- Integration of registration department database
- Integration of Banks for loan charge creation
- Mutation process
- e-Pattadar passbook system

Improvements in the system observed-

- Coping with transaction volume growth: By integrating with delivery channels through Web Service method in dynamic update
- Time taken to process transactions: By a way of ‘Maker and Checker’ mechanism, the process of loan charge creation will be created and accepted by the banker
- Accuracy: There is no batch processing. Transaction is committed online and is instant within a few milliseconds on real time basis.

<b>Parameters</b>	<b>Before Re-engineering</b>	<b>After Re-engineering</b>
<b>Number of Users</b>	0	6,000
<b>Increase in Revenue</b>	-	Not applicable as this project helps the Government in reducing the total number of bogus loans
<b>Volume Growth in transaction</b>	-	Not applicable
<b>Time taken to process transactions/ service delivery</b>	1 month	10 days

**d) What are the distinctive features or accomplishments of the project?**

Ease of verification of land ownership/possession. Farmers can gain knowledge of all loans outstanding on the particular land, including loans given by other banks.

To avail the loans for land for cultivation, farmers used to go to banks and used to provide their pattadar passbooks for availing loans. Previously, there was no mechanism to verify the records online, whether the farmer or individual has already availed loan or availed multiple loans from other banks. In order to avoid or curtail these fake, bogus and multiple loans, “Loan Charge Creation Project” has been implemented successfully. Using Loan Charge Creation module, bankers can verify the land details in adangal and Record of Rights. They can also know whether any loan is taken on the same land. They can also verify the identity of the person, crop details on the land to ease the process of issuing

loans, input subsidy, crop insurance etc. This innovation is unique in the entire country. The RBI, in the Regional Conference held at Hyderabad appreciated this innovation and underlined the need to replicate the project in the entire country.

The banks are issuing loans to the farmers, land owners, cultivators for various purposes. Nearly, 78 lakhs of farmers, 2.25 crores survey numbers of the State covered under the project.

#### 4. **CLASSROOM MANAGEMENT**

##### ➤ **Group Discussion**

Divide the participants in groups of 4 -5 and discuss the case on following aspects. Each group should take one aspect:

1. Discuss Change management and Communication as some of the key factors to project success.
2. Challenges, issues and risks if the project is to be rolled across other States.
3. What is next for the project?

Please have an open brainstorming session regarding how this project can be evolved and replicated in other States. Each group should present their findings in a short 5-10 minutes presentation afterwards.

##### ➤ **Group Activity (30 -40 minutes)**

Make two groups of participants. One group has to act as major stakeholders i.e., land owners/farmers and bank employees/users of the system and other to act as Government.

**Major Stakeholders:** The task of the stakeholder group is to come up with novel and different (but realistic) service requirements that they want from a project like Loan Charge Creation Portal. They should consider all the problems they face or they can face in future and build up a suggestion around them. They should also build a justifiable timeframe against each service they want to build in the system.

**Government:** The task of the Government group is to see how they can provide such services within shortest possible time. They should hold discussion with stakeholders to devise roadmap and implementation plan.

The objective of this exercise is to highlight expectations of stakeholders and the readiness of Government in meeting them. It is a role play type of exercise which offers plenty of flexibility in the way services can be further augmented.

**Hands on/ Field Training (if required):** Training to branch managers and bankers of the banks that issue loans to farmers/land owners, tahsildars for managing land records and revenue officers to track loans issued on a particular land at district level. Within

Group activity, workshops and group training to be incorporated for better use and efficient adoption rate to change in the system.

➤ **Summary- Key lessons learnt (15 minutes)**

Each participant shall write down a summary in not more than 500 words highlighting key learning from the case.

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## **ABBREVIATIONS**

PACS	Primary Agricultural Cooperative Societies
DCCBs	District Cooperative Central Bank
NIC	National Informatics Center
CARD	Computer Aided Registration Department
AFD	Agriculture Finance Divisions
UIDAI	Unique Identification Authority of India
ToT	Training of Trainers
PACS	Primary Agricultural Cooperative Societies