

Agenda/ background paper for the Special (67th) meeting of the State Level Bankers' Committee (J&K State).

The Reserve Bank of India has vide their Circular letter No. RPCD. PLFS.BC.No.43/05.04.02/2005-06 dated 9th October 2005 (copy enclosed) advised banks to liberally extend its relief package for the State of Jammu and Kashmir, which has been hit by an earthquake leading to large-scale destruction of life and property. Besides this, the Banks have been advised to:

- i) Provide financial assistance for the purpose of repairs/ reconstruction of dwelling units etc. damaged on account of the earthquake;
- ii) Increase the limit of consumption loan to be provided to the affected persons in the State upto Rs.5,000 without any collateral. The limit may be enhanced to Rs.10,000/- at the discretion of the Branch Manager, depending on the repaying capacity of the borrower;

In addition to above, Reserve Bank of India has advised to convene a Special State Level Bankers' Committee meeting **to discuss the situation and to consider and recommend any special measures that might be required in the affected areas in addition to the Reserve Bank of India's aforesaid relief package.**

The National Housing Bank has also been advised by RBI to consider providing of financial assistance for the purpose of construction/ repairs of dwelling units etc. damaged by the earthquake. The National Housing Bank has accordingly devised a scheme called "**Refinance Assistance for housing**

in the earthquake affected areas of the State of Jammu & Kashmir", copy
whereof is enclosed for information of the members.

In the light of above the house is requested to deliberate upon the issue.
(Encls: 12)