

MINUTES OF THEMATIC SLBC MEETING ON KISSAN CREDIT CARD SCHEME IN J&K HELD ON 20TH MAY 2010 AT SRINAGAR

A thematic SLBC meeting on Kissan Credit Scheme in J&K State was held on the sidelines of the 79th meeting of J&K SLBC on 20th of May 2010 at SKICC, Srinagar. The meeting was presided over by Dr. Haseeb A. Drabu, Chairman J&K Bank and Convenor J&K SLBC. The Chief Secretary, J&K State, Mr. S. S. Kapoor was the Chief Guest. Mr. Samir K. Sinha, Director, Department of Financial Services, Gol, Ministry of Finance (Nodal Officer for J&K) attended the meeting on behalf of Government of India. Top functionaries of the Government administration and banks including Principal Secretary, Agriculture Production Department, Commissioner/ Secretary, Industries & Commerce Department, Commissioner/Secretary, Rural Development Department, Commissioner/ Secretary, Labour & Employment Department, Executive Directors of J&K Bank, Regional Director (for J&K) Reserve Bank of India, General Manager, NABARD, senior officials of various line departments and development agencies and senior representatives of major banks/ financial institutions operating in the State attended the meeting. The list of participants is enclosed as **Annexure-A**.

Describing briefly the objective of convening this meeting, the Chairman, Dr. Haseeb A. Drabu stated that in the 78th SLBC meeting on observing persisting under performance of KCC Scheme in the State it was decided to convene a theme based SLBC to specifically discuss the issue so as to address the impeders in the implementation process and devise strategies of gaining success by generating desired level of responsiveness for improving performance and ensuring achieving substantial progress under this flagship programme for farmers.

Dr. Drabu stated that during the FY 2002-03 the achievement of banks under Kissan Credit Card Scheme stood at 47% in financial terms, which continued to come down to just 11% during the year 2007-08 and 15% during FY 2008-09. However, after there has been a focus on it, the performance has started to show a little improvement with banks achieving 38% of

the financial target during FY 2009-10, though in physical terms the achievement continues to be poor at 19% of the target as on 31.3.2010.

Commenting on the cumulative position of Kissan Credit Cards issued by various banks in the State Dr. Drabu stated that upto the end of 31st March 2010 banks operating in the State have been able to issue 1,25,355 KCCs with total disbursement of Rs.618.17 Crore in J&K State, which is not very high but certainly better than what it was earlier.

Giving bank-wise breakup of these achievements, Dr. Drabu stated that J&K Bank has issued 31,375 KCCs in favour of the farmers in J&K State with total disbursement of Rs.338.73 Crore, State Bank of India 8,126 KCCs involving an amount of Rs.39.49 Crore and Punjab National Bank 6,134 KCCs involving Rs.24.64 Crores. Dr. Drabu expressed satisfaction that Jammu Central Cooperative Bank and Baramulla Central Cooperative Bank have issued 21,088 KCCs and 21,538 KCCs involving an amount of Rs.25.13 Crore and Rs.27.04 Crore respectively in the State upto 31st March 2010.

Regarding the performance of RRBs, Dr. Drabu stated that J&K Grameen Bank and Ellaquai Dehati Bank have issued 16,518 KCCs and 8,040 KCCs involving an amount of Rs.96.19 Crore and 33.28 Crore respectively upto the end of March 2010.

Commenting on the **constraints/ impeders generally faced by the banks** in implementation of the KCC Scheme in J&K, Dr. Drabu stated that the main reason for KCC Scheme not picking up to the desired level and not becoming a popular credit delivery instrument among farmers in J&K State has been **the non-availability / inadequacy of updated land records**. He stated that earlier it had been decided that a Certificate from Sarpanch/ Namberdar be obtained as a proof of possession of land with the farmer in place of a proper revenue record, but since Panchayats are not functional in J&K, there is no scope for such certificates. He, however, pointed out that a Self Declaration form by the farmer regarding possession of a certain amount of land, as suggested by J&K Grameen Bank, is an alternative that the SLBC should take a view. Accordingly, Dr. Drabu sought views of other members on the issue.

The Principal Secretary, Agriculture Production Department, J&K Govt. joining deliberations on the issue suggested that **if the system of obtaining affidavit as a substitute for land records is introduced, there is every possibility that the position of implementation of**

KCC Scheme in J&K State will improve. Accordingly, it was **decided to make the recommendation for modification of the KCC Scheme on the said lines.**

Action: Reserve Bank of India

Referring to the recommendations worked out by J&K Grameen Bank that “**Reserve Bank should be approached for relaxation of norms for KCC above Rs.50,000/- and further there should be no mortgage for KCC upto Rs.1,00,000/- keeping in view that in case of MSE units there is no collateral security of immovable property required upto Rs.5.00 Lacs**”, Dr. Drabu requested Mr. Arnab Roy, Regional Director, Reserve Bank of India, to give his view point. Responding to this, the **Regional Director (for J&K), RBI suggested that SLBC should make a reference to Reserve Bank of India, so that the matter is considered and a view is accordingly taken.**

Action: Reserve Bank of India

As regards the J&K Grameen Bank suggestion that supply of fertilizers, seeds and pesticides etc. should be made available much before the sowing season, the Chairman suggested that **KCCs could be used as input supply cards for fertilizers, seeds and pesticides, etc.**

Action: All member banks

Principal Secretary, Agriculture Production Department stated that the **government contemplates to make a special effort by taking up one block in every district for complete coverage under KCC.** He requested all the banks to concentrate on those lines in the identified blocks, so that in a five years time entire State could be covered under KCC Scheme.

Appreciating the plan contemplated by the State Government, Dr. Drabu stated that the government should call the bankers to discuss the issue once the plan is devised, so that a complete strategy is worked out.

The General Manager, NABARD, presenting his viewpoint stated that in the awareness camps conducted by NABARD from time to time on KCC Scheme has always been a part of their programme. He informed that recently NABARD had convened a farmers meeting at Regional Office, Jammu, with the objective of creating awareness about KCC, which was covered by Door Darshan also who are likely to telecast the documentary on the event

shortly. He informed that NABARD has recently brought out brochures in English and Urdu languages for circulation among the farmers of the State. Besides, in the Employment Fairs conducted at district levels, NABARD has always been creating awareness about all the promotional programmes including KCC.

Referring to the articulations made by the Hon'ble Chief Minister during last Credit Seminar that 25% of the farmers of the State have to be brought under banking fold this year, the **General Manager NABARD expressed their intensions to cover about 4,50,000 farmers under KCC Scheme during the current financial year through 623 rural bank branches, which would roughly come to around 730 KCCs per branch to be issued.**

However, Dr. Drabu stated that since the block-wise approach being contemplated by Agriculture Production Department, J&K Govt. under which one block in every district would be identified for 100% coverage under KCC Scheme would be the best approach, which could be considered by the SLBC.

It was accordingly **decided to form a Sub-group of SLBC under the Chairmanship of Principal Secretary, Agriculture Production Department, J&K Government, involving some major banks operating in the State to workout a strategy for coverage of the identified blocks under KCC Scheme, so as to ensure that gradually the entire State of Jammu & Kashmir is covered under KCC Scheme.**

Action: J&K Government, Agriculture Production Department

The meeting ended with a vote of thanks to the Chair,

(M. S. Wani)
Vice President,
Lead Bank/ J&K SLBC

Annexure-A
LIST OF PARTICIPANTS

<u>S. No.</u>	<u>Name of Participant</u>	...	<u>Designation / Organization</u>
S/Shri:			
<u>CHAIRMAN (CONVENOR, SLBC)</u>			
1.	Dr. Haseeb A. Drabu	...	Chairman/CEO, J&K Bank
<u>CHIEF GUEST</u>			
2.	S. S. Kapoor	...	Chief Secretary
<u>GOVERNMENT OF INDIA</u>			
3.	Samir K. Sinha	...	Director, DFS, GoI, Ministry of Finance
<u>RESERVE BANK OF INDIA</u>			
4.	Arnab Roy	...	Regional Director for J&K
5.	N. K. Sahu	...	DGM, Reserve Bank of India
6.	M. S. Khitaulia	...	DGM, Reserve Bank of India
7.	C. Sahoo	...	AGM, Reserve Bank of India
<u>STATE GOVERNMENT</u>			
8.	M. I. Khanday	...	Principal Secretary, Agriculture Prod. Deptt.
9.	Umang Narula	...	Commissioner/Secretary, Industries & Comm.
10.	Yadullah	...	Secretary, Rural Development
11.	Farooq Ahmad Peer	...	Secretary, Labour & Employment
12.	Dr. G. R. Ghani	...	Secretary, Planning & Development
13.	Raj Kumar Koul	...	Additional Secy. Law
14.	S. Shabir Shafi	...	Jt. Director, Housing & Urban Dev. Deptt.
15.	Mushtaq Siddiqi	...	Special Secretary, Finance Department
16.	Aslam-ul-Rashid	...	Dy. Registrar Counsel O/O RCS J&K
17.	Radesh Kumar Sethi	...	Joint Registrar Cooperatives (B&F)
18.	B.S.Dua	...	Director, Industries & Commerce, Jammu
19.	Mrs. Chandra Gupta	...	Director, Handlooms Dev. Deptt.
20.	Dr. M. I. Parray	...	Director, J&K EDI
21.	Mohd. Yaqoob Zargar	...	Director, Rural Dev. Deptt. Jammu
22.	Meraj-ud-din Kenu	...	Director, Handicrafts Department
23.	Tabassum Kanual	...	Distt. Social Welfare Officer
24.	Tasadiq Jeelani	...	CEO, UDAK
25.	A. K. Kakroo	...	Chief Horticulture Officer, Srinagar
26.	Muzaffar Hussain	...	Joint Director, Industries & Commerce (K)
27.	Ichpal Singh	...	AHTO, Handicrafts Deptt.
28.	Gh. Hassan	...	Dy. Director, P RD Deptt. Kashmir
29.	M. Muazzam	...	MD, SIDCO
30.	M. Sadique	...	Asstt. Director, KVIC
31.	A. M. Zargar	...	ADO, KVIC

NABARD

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|-----|---------------------|-----|-----------------|
| 32. | V.V.V.Satyanarayana | ... | General Manager |
| 33. | P. L. Negi | ... | DGM, NABARD |

SIDBI

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| 34. | Neeraj Srivastav | ... | B/O Incharge, Jammu |
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J&K BANK (CONVENOR BANK)

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|-----|------------------------|-----|-----------------------------------|
| 35. | A. K. Mehta | ... | Executive Director/COO, |
| 36. | Ajit Singh | ... | Sr. President/ CRO |
| 37. | Parvez Ahmad | ... | President (Specialized Credit) |
| 38. | Ab. Rauf | ... | Vice President (PS/GB) |
| 39. | Ab. Hamid Banday | ... | Vice President, ZOK (Central) |
| 40. | N. A. Parimoo | ... | Vice President, ZOK (North) |
| 41. | B. A. Lone | ... | Vice President, ZOK (South) |
| 42. | K. A. Pandit | ... | Vice President, (CCD) |
| 43. | M. S. Wani | ... | Vice President, (LBD/SLBC) |
| 44. | Ghulam Rasool Bhat | ... | Sr. Executive Manager (LBD/SLBC), |
| 45. | Mohammad Amin Khan | ... | Cluster Head, |
| 46. | V. M. Nazki | ... | Cluster Head, |
| 47. | M. A. Chullu | ... | Cluster Head, |
| 48. | G. R. Hajam | ... | Cluster Head, |
| 49. | M. A. Wani | ... | Cluster Head, |
| 50. | Abdul Rashid Hakim | ... | Cluster Head, Cluster-III South |
| 51. | Gh. Rasool Malik | ... | Cluster Head, Cluster-I-North |
| 52. | Gh. Mohi-uddin | ... | Cluster Head, Cluster-I (South) |
| 53. | Mohammad Hussain Gattu | ... | Cluster Head, Cluster-II (South) |
| 54. | Atta-ullah Makhdoomi | ... | Cluster Head, North Kashmir |
| 55. | Syed Rais | ... | Private Secretary to Chairman |
| 56. | Zamir A. Qadir | ... | Executive Asstt. To Chairman |

OTHER BANKS/ FINANCIAL INSTITUTIONS

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|-----|----------------------|-----|--|
| 57. | R. C. Koul | ... | DGM, Punjab National Bank |
| 58. | K. K. Iyer | ... | DGM, State Bank of India |
| 59. | S. Bhaduri | ... | General Manager, State Bank of India |
| 60. | Ajay K. Gupta | ... | AGM (RBO-1), State Bank of India, Srinagar |
| 61. | P. K. Abrol | ... | RM, RBO-3, State Bank of India, Jammu |
| 62. | S. K. Koul | ... | Sr. Mgr., Oriental Bank of Commerce |
| 63. | J. S. Bali | ... | Sr. Manager, Bank of India |
| 64. | A. A. Allaqaband | ... | AGM, UCO Bank (J&K) |
| 65. | Prem Malik | ... | Chief Manager, Srinagar |
| 66. | M. L. Balmal | ... | BM, Central Bank of India (Srinagar) |
| 67. | Iftikhar Ahmad | ... | AVP, HDFC Bank |
| 68. | Md. Iftikhar Hussain | ... | DGM, JKDFC Ltd. |
| 69. | Mohammad Rafique Dar | ... | DGM, J&K SFC |

REGIONAL RURAL BANKS

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|-----|-------------------|-----|--------------------------------|
| 70. | Raja Abdul Latief | ... | Chairman, J&K Grameen Bank |
| 71. | A. U. Tak | ... | Chairman, Ellaquai Dehati Bank |

COOPERATIVE BANKS

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|-----|----------------------|-----|---|
| 72. | Mohammad Ashraf Bhat | ... | MD, J&K State Cooperative Bank |
| 73. | B. A. Lone | ... | General Manager, Baramulla Central Coop. Bank |
| 74. | A. Qayoom | ... | AGM, Jammu Central Coop. Bank |
| 75. | Atta Mohammad Nath | ... | Chief Executive, Anantnag Central Coop. Bank |

LEAD BANK OFFICERS/ LEAD DISTRICT MANAGERS

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|-----|-----------------------|-----|--|
| 76. | Riaz Ahmad Mir | ... | Lead Bank Officer, J&K Bank, ZOK (North) |
| 77. | M. A. Sherwani | ... | Lead Bank, J&K Bank, ZOK (North) |
| 78. | Tassaduq Mohammad | ... | Lead Bank Office, Central Zone, Srinagar |
| 79. | A. H. Khan | ... | Lead Bank Officer, Srinagar |
| 80. | Manzoor Hussain | ... | Associate Lead Bank officer, ZOK (Central) |
| 81. | G. R. Kumar | ... | Lead Bank Officer, Pulwama/Shopian |
| 82. | Shadi Lal Dhar | ... | Lead Bank Officer, Anantnag/ Kulgam |
| 83. | Mohammad Farooq Jallu | ... | Lead Bank Officer, Budgam |
| 84. | Muzaffar Hussain | ... | Lead Bank Officer, Kupwara |
| 85. | Parvez Nissar Beigh | ... | Lead Bank Officer, Baramulla |
| 86. | Abdul Rashid Najjar | ... | Lead Bank Officer, Bandipora |
| 87. | K. C. Dogra | ... | Lead Bank Officer, Rajouri/Poonch |
| 88. | S. L. Dhar | ... | Chief Manager, Lead Bank, SBI, (Adm. office) |
| 89. | Parvinder Bharti | ... | LDM, Udhampur/Reasi, (State Bank of India) |
| 90. | M. P. Sharma | ... | LDM, Kathua, (State Bank of India) |

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