

MINUTES OF 9TH SPECIAL MEETING OF J&K SLBC ON MSMEs HELD ON 22ND DECEMBER 2010 AT JAMMU

Pursuant to directives of Govt. of India, Ministry of Finance, Department of Financial Services, J&K SLBC is holding special meetings on regular periodical intervals to oversee and monitor implementation of IBA package & other measures for enhancing flow of credit and to deal with the impact of tight financial position under global recessionary tendencies on economy. The 9th special meeting of J&K State-Level Bankers' Committee (SLBC) on MSMEs was held on December 22, 2010, at Jammu to review the progress as at the end of November 2010 in implementation of the IBA package of relaxations by the banks in J&K State for augmenting flow of credit and for resolving any impeding issues. The meeting was chaired by Mr. A. K. Mehta, Executive Director/ COO of the J&K Bank (Convenors of J&K SLBC) and was attended by Commissioner/Secretary, Industries & Commerce, Mr. Umang Narula, Special Secretary (J&K Govt. Finance Department), Mr. Mushtaq Siddiqi, DGM RPCD RBI Jammu Mr. N. K. Sahoo, representatives from various line departments, senior functionaries of SBI, PNB and other major banks and financial institutions operating in J&K State. Leaders of representative organizations of industry and trade viz. President, Federation Chamber of Industries Kashmir (FCIK), Mr. Shakeel Qalander, President, KCCI, Mr. Nazir Ahmad Dar, President, JCC&I, Mr. Y. V. Sharma and a representative of Federation of Jammu also attended the meeting. The list of participants is enclosed as **Annexure-A**.

At the outset Mr. M. S. Wani, Vice President, J&K Bank (LBD/ Convenors of J&K SLBC) extended a warm welcome to the participants of the meeting. He reiterated that the objective of holding the Special SLBC meetings is to oversee and monitor that credit continues to flow to the productive sectors of economy and to review on regular periodical intervals the relevance and efficacy of the measures taken. In doing so, he appreciated the involvement of Mr. A. K. Mehta, Executive Director/ COO and senior functionaries of J&K Government, Reserve Bank of India and representatives of other banks and institutions for sincerely implementing the package of extending liberal support for promotion of productive sectors by augmenting flow of credit and resolving the credit related issues of MSMEs. Thereafter, Mr. Wani requested the Chairman to take-up the proceedings of the meeting as per the agenda.

The Chairman, Mr. A. K. Mehta extended a formal welcome to the participants. He informed the house that since the representative of Banking Codes and Standards Board of India (BCSBI), who was scheduled to deliver a presentation on Banking Codes in the first segment of the meeting, has not yet been able to reach to the venue due to delay in his flight schedule, therefore the second segment of agenda would be taken up for deliberations.

Agenda Item No: 01

Confirmation of Minutes of the 8th special monthly meeting of J&K SLBC on SMEs:

The Chairman sought comments of participants regarding the minutes of the 8th special monthly meeting of J&K SLBC on MSMEs held on 20.05.2010 which were web cast on www.jkslbc.com and also circulated vide SLBC office No. LBD/8th Spl. SLBC MSMEs/2010- 199 dated 19th June 2010. Since no comments were received, the minutes of 8th Special SLBC meeting on MSMEs were confirmed by the house.

Agenda Item No: 02

Review of data/ position relating to implementation of IBA package on MSMEs, Housing & Auto sectors as at the end of November 2010:

The Chairman detailed out progress on implementation of IBA package on MSMEs as of November, 2010 and stated that upto 30th November, 2010 the banks operating in the State have restructured 6585 MSMEs accounts involving an amount of Rs.377.33 Crore and extended fresh working capital loans to the extent of Rs.955.55 Crores in favour of 17875 beneficiaries and incremental working capital loans amounting to Rs.447.01 Crores in favour of 4529 units. The house was informed that under the said package banks have provided Soft Loans for purchase of D. G. Sets to the tune of Rs.5.31 Crore in favour of the 551 entrepreneurs. Besides, Housing Loans to the tune of Rs.723.49 Crore in favour of 25,751 beneficiaries and

Auto loans to the tune of Rs.554.51 Crore in favour of 16,635 beneficiaries have been sanctioned by the banks during the said period.

Commenting on the performance of major banks operating in the State, the Chairman stated that J&K Bank alone has restructured 5423 accounts of MSMEs involving an amount of Rs.259.52 Crore being 82% of the total number of 6585 accounts of MSMEs so far restructured by banks in the State involving Rs.377.33 Crore. The bank has issued Working Capital Loans (new) to the extent of Rs.267.35 Crore in favour of 5824 beneficiaries and incremental working capital loans to the extent of Rs.236.63.58 Crore in favour of 2805 beneficiaries.

State Bank of India has restructured 771 MSMEs accounts involving Rs.53.61 Crores, and issued working capital loans (new) to the extent of Rs.387.15 Crore in favour of 4088 beneficiaries and incremental working capital loans to the extent of Rs.116.74 Crore in favour of 507 beneficiaries.

Punjab National Bank has restructured 202 MSMEs accounts involving Rs.53.90 Crores, and sanctioned working capital loans (new) to the extent of Rs.92.81 Crore favouring 873 beneficiaries and incremental working capital loans of Rs.39.08 Crore favouring 164 beneficiaries.
The position as reviewed was observed to be satisfactory.

Mr. A. K. Mehta, shared with the house that in the 80th meeting of J&K SLBC held in the morning session the house had considered concerns of the business community and taken a view to submit a comprehensive paper to Government and RBI recommending grant of certain concessions, reliefs and relaxations to the business community in J&K State who have suffered due to the disturbances and turmoil that engulfed the State particularly the Kashmir Valley for several months during the current financial year.

Reacting to this Mr. Shakeel Qalander, Chairman, FCIK desired to know the details of the discussions held in the main SLBC meeting in the morning session.

Mr. Nazir Ahmad Dar, President, KCCI pointed out that these Special SLBC meetings are basically meant to deliberate issues concerning MSMEs only and desired to know the objectives of including data on flow of credit to Housing and Auto Sectors in the Special SLBC meetings for MSMEs.

Mr. Umang Narula, Commissioner/ Secretary, Industries & Commerce, J&K Government, joining deliberations on the issue pointed out that in the 80th SLBC meeting in the morning session some Recommendations of Prime Minister's Task Force on MSMEs relating to flow of credit to MSMEs sector had been included in the agenda papers. He desired to know the variance between what has been recommended by PMs Task Force and the figures presented in this agenda and specifically desired to know the steps that would need to be taken to implement those recommendations, which have been adopted by the 80th SLBC meeting. Mr. Narula also desired that from the next meeting onwards the house should also deliberate and monitor whether the recommendations of the Prime Minister's Task Force on MSMEs viz-a-viz position of flow of credit to MSMEs sector are being implemented by the banks and other stake holders and also regarding opening up of counseling centres in MSME Clusters etc.

However, the Vice President, J&K Bank (Convenors of J&K SLBC), Mr. M. S. Wani clarified that basically the monthly Special SLBC meetings are being held in compliance with the guidelines issued by Government of India mandating specifically to review the performance of banks under the IBA package for stepping up flow of credit to MSMEs, Housing and Auto sectors impacted by recession and resolving any related issues in accordance with the format prescribed by Government of India, Ministry of Finance. He further clarified that Housing and Auto Sectors have come as ancillary sectors into MSMEs, rather the total production of MSMEs was virtually absorbed by Housing Sector. He stated that Housing sector absorbs cement, iron and other lots of material for building construction that was coming from the MSMEs sector, so the purpose for including the Housing Sector into review was that this particular sector should be protected so that they continue consumption of the material produced by MSMEs sector and MSMEs in this particular process do not basically pile up the inventory and stocks and suffer on that account. So Housing and Auto came as subsidiary to that particular process of rehabilitation and promotion of MSMEs sector during the recession period.

Mr. Shakeel Qalander, Chairman FCIK, pointed out that there is discrimination meted out to the State of Jammu and Kashmir viz a viz other states in rest of the country. Elaborating his point, he stated that in rest of the country the flow of credit to MSMEs sector is about 1% of the total credit, whereas in J&K State the ratio of credit flow to MSMEs sector was not more than 0.46%. He pleaded that this disparity should be removed and flow of credit to MSMEs sector in J&K State should be brought at par with rest of the country.

Mr. Y. V. Sharma, President, JCCI joining deliberations on the issue stated that the Industries Sector has been replaced by MSMEs sector which is a step in right direction and encompasses Services Sector and relative sectors, and strongly pleaded that since this employment oriented MSMEs sector happens to be the future hope of the country, adequate steps should be taken in order to popularize this sector among the public in the entire State and people should be made aware of the facilities and incentives available for promotion of this sector, so that people are attracted towards this sector.

The representative bodies of Trade & Industry expressed satisfaction that by including the region-wise/district-wise figures of the data in the agenda papers by the Convenor Bank their one of the longstanding demands has been met. Members, however, stressed that all the banks should convey the district-wise figures to SLBC on a continuing basis in future to enable the members to have a clear picture of the achievements of banks on region-wise basis also.

(Action: All banks/ Financial Institutions)

AGENDA ITEM NO: 03

Action taken report on action points of the previous Monthly Special SLBC Meeting on MSMEs (outstanding issues):

Mr. Mehta expressed concern that despite being in the 9th Special SLBC meeting on MSMEs now some action points relating to recommendations of the K.C. Chakraborty Working Group on MSMEs continue to be outstanding on this agenda which have not been resolved so far. Inviting attention of the Commissioner/ Secretary, Industries & Commerce towards these outstanding issues, Mr. Mehta stated that these issues mostly are pending action by the State Government.

The representative bodies of Trade & Industry unanimously expressed their satisfaction over the presence of Mr. Umang Narula, Commissioner/ Secretary, Industries & Commerce, J&K Government, in the meeting and expressed optimism that government would take enough measures to settle the outstanding issues and minimize the difficulties confronting the MSMEs sector in the state. Mr. Qalander further stated that convening of these meetings should not be just a ritual and pleaded that this forum needs to exhibit more seriousness towards resolution of the issues. He expressed optimism that the key government functionaries of the State Government would continue to attend these meetings at higher level in future also so as to make these meetings result oriented.

Commenting on the cumulative figures placed in the agenda papers the Special Secretary Finance desired to know the position of credit flow to MSMEs sector as of now and the position that prevailed prior to the Chakraborty Working Group Recommendations.

On this occasion the Chairman clarified that these Special SLBC meetings on MSMEs were convened in pursuance of the GoI directives to monitor implementation of IBA package on MSMEs, Housing and Auto Sectors to withstand the impact of global recession on Indian economy.

Joining deliberations on the issue, Mr. N.K.Sahoo, DGM, RBI stated that Chakraborty Committee report should not be mistaken, as it does not deal with how much banks have disbursed. He clarified that this working group gave some qualitative analysis on how best the State Government and all other stakeholders can help the MSMEs sector so that credit flow to this sector is enhanced. He reminded the house that Chakraborty recommendations were discussed in the meetings of the Empowered Committee of RBI on MSMEs, where banks and the Government were asked to come forward to help the MSMEs sector. He

desired that decisions taken in the said Empowered Committee meetings can be dovetailed with Special SLBC on MSMEs. He remarked that MSMEs sector, which is the biggest employment-generating sector in the country, needs to be helped. Mr. Sahoo also clarified that the Prime Minister's Task Force on MSMEs constituted by GoI under the Chairmanship of Mr. T. K. Nair has advised the banks to

- (i) Achieve 20% year-on-year growth in credit to Micro & Small Enterprises to ensure enhanced credit flow;
- (ii) The allocation of 60% of the MSE advances to the micro enterprises is to be achieved in stages viz. 50% in the year 2010-11, 55% in 2011-12 and 60% in 2012-13 and
- (iii) Achieve a 10% annual growth in number of micro enterprises accounts.

Mr. N. K. Sahoo desired that these important issues should be in future incorporated in the agenda for the Special SLBC meetings and targets should be given to all the banks for taking necessary steps to achieve this in phases within the prescribed timeframe. He stressed the need for adopting cluster approach to boost the MSMEs sector in the State on the pattern of Punjab, Haryana and UP etc.

(Action: Convenor Bank)

Recommendations of Dr. K. C. Chakrabarty Working Group appointed by RBI – Action points relating to the State Government:

- 1) **Each State Government may also have a separate Ministry for MSMEs. In addition the State Government may also have long term and short-term policy for development/ promotion of MSMEs Sector (Para 5.9 of Dr. K. C. Chakrabarty Working Group recommendations).**

Mr. Umang Narula, Commissioner/Secretary Industries & Commerce pointed out that Dr.K.C.Chakrabarty Working Group recommendations mostly relate to flow of credit to MSMEs sector and it would not be fair to concentrate on the issue of creating of separate ministry for MSMEs. He stressed the need for focusing more on credit related issues.

Responding to this, Mr. N. K. Sahoo stated that the recommendations of Chakrabarty Working Group have been discussed in the earlier meetings and some issues have remained unresolved which continue to be on the agenda of the meeting for deliberation. As regards rehabilitation of sick MSMEs units and Credit Guarantee Scheme etc., Mr. Sahoo stated that these issues have been discussed in all the fora threadbare and in one of the meetings it was appreciated that under Credit Guarantee Scheme J&K Bank has made some headway and also regarding rehabilitation/ revival of sick MSMEs units J&K Bank has done a lot of work.

Mr. Narula pointed out that every quarter we must know what banks have done for revival of the sick MSMEs units and what is the position of credit flow to this sector should be made a part of the agenda of this forum in future. He also observed that the figures relating to accounts restructured during the last 2 quarters and also during the financial year should be captured in the agenda papers in future.

Mr. Nazir Ahmad Dar, President, KCCI expressed satisfaction over the remarks of Mr. Narula and stated that C.D.Ratio of J&K State at present hovered around 40%, thereby leaving enough scope for enhancing credit flow to MSMEs sector to being the C.D.Ratio at par with the national level. He pointed out that MSMEs units are craving for money and requested that banks should pump adequate money into MSMEs sector.

Commenting on the district-wise data, Mr. Dar commented that region-wise data in respect of all the banks should be presented in the agenda for enabling to discuss it threadbare. He desired that in case any bank fails to provide the district-wise data to SLBC, the matter should be brought into the notice of Reserve Bank of India.

Mr. N. K. Sahoo, DGM RBI pointed out that the agenda provides cumulative position of data regarding implementation of IBA package on MSMEs, Housing and Auto Sectors but it does not indicate cumulative

from which date. He also desired that in future the agenda should present quarterly position as well as the cumulative position for the current financial year, which would be more relevant and more focused.

Mr. M.S.Wani, Vice President (LBD/SLBC) clarified for information of the members that the data placed in the agenda provides cumulative figures from the beginning of the IBA package, i.e. December 2008 upto November 30, 2010 strictly as per the format provided by Government of India. He, however, assured that SLBC will explore possibility of including in the agenda papers other quarterly/ yearly data in future as asked for by the members for deliberation and review.

(Action: Convenor Bank)

Commenting on the demand for creation of a separate MSMEs Ministry in the State, Mr. Narula observed that all the benefits and incentives available under MSMED Act are already being extended to the MSMEs.

Mr. Shakeel Qalander, Chairman, FCIK informed that basically Industries Department is not registering the services sector entrepreneurs and stated that the government has already issued Circular in this regard, but the same was not being implemented. He stated that this move is therefore, aimed at paving way for registration and subsequently disbursement of incentives to the services sector.

On this, Mr. Narula remarked that at DIC level there is need for imparting training to the concerned officials regarding requirements as provided under new MSMED Act. He assured that since the things have now become clear, the government will take necessary steps to act upon it.

(Action: J&K Govt. Industries & Commerce Department)

2) State Government may be encouraged to provide land at 50% of the normal rate for setting up Industrial Estates exclusively for MSMEs. Further, 50% subsidy may be provided on the capital cost of common facilities like effluent treatment plant, power plant:

Mr. A. K. Mehta, Chairman stated that the issue has been on the agenda of the forum since long and requested that government should report progress on the issue.

Mr. Umang Narula, Commissioner/Secretary, Industries & Commerce stated that as for as the common facilities for MSMEs sector are concerned, government has been providing the whole infrastructure.

Mr. Shakeel Qalander, Chairman, FCIK stated that the facility of providing land in the industrial estates to the entrepreneurs at concessional rate has been extended under the Industrial Policy 2004. He pointed out that although the State Government is providing land at concessional rates, but last year the Government has amended some provisions of the Industrial Policy 2004 and the provisions relating to concessional rate on land have been partly withdrawn by the Government. He stated that in the previous meetings of the forum FCIK has persistently pleaded for restoration of the rate structure as provided in the Industrial Policy of 2004.

Responding to this, Mr. Umang Narula, Commissioner/Secretary, Industries & Commerce, clarified that the State Government is already providing the land to the industrial entrepreneurs at concessional rates and even after the enhancement of the rate structure the subsidy is being provided and within the rate structure there is differentiation so that smaller units actually get the land at half the price the bigger units would get.

Mr. Mushtaq Siddiqi, Special Secretary Finance, J&K Govt. pointed out that there is hardly any land available for being given to the new entrepreneurs and therefore, there is need for funds to develop new Estates in the State. He informed the house that in Government of India there has been a policy shift and now they are moving away from Estates and are instead asking the industrialists to acquire the land and develop it themselves. He, however, was of the view that such a mechanism cannot be operationalized in the State as of now.

Mr. Shakeel Qalander pointed out that under Cluster Development Scheme everything like power installation, road infrastructure, drains etc., is to be provided. He however, pointed out that providing of

land at 50% concession was one of the recommendations of the Dr. K.C.Chakrabarty Working Group recommendations and reiterated that government should restore the rate structure as provided under Industrial Policy 2004.

Reacting to this Mr. Narula maintained that in principal the recommendation of the Chakrabarty Committee is being already followed by the State Government, however, in case the industrial representatives feel that subsidy should be more than what is being provided, that is an internal issue between the Government and the Industry. He assured that since the Government is already in dialogue with the industrial representatives, the government will see how the issue could be settled.

3) Contribution towards Employees' Provident Fund in relation to number of employees:

The representative bodies of trade & industry pointed out that this demand formed part of the Hon'ble Finance Minister's budget speech and was passed on the floor of the State Legislature but the necessary notification has not been issued. The Chairman, FCIK pleaded that labour policy of the State should be put at par with the other states of the country.

Commenting on this demand of the industrial representatives, Mr. Umang Narula stated that the State Government has always supported the industry but clarified that the decision-making on such issues was not in the hands of the government. He suggested that it being a legislative issue, the same should be taken up in the main SLBC and Labour Commissioner be invited as a special invitee in the next meeting for discussing the issue.

Mr. Nazir Ahmad Dar, President, KCCI stated that the issue has been discussed in the Board of Trustees of the Provident Fund Committee, where it was resolved that there is no requirement of legislation on the issue and just a government order or SRO will be needed.

Mr. M. S. Wani, Vice President (LBD/SLBC) pointed out that there is one sensitivity in this issue that basically this was a labour issue and could be an agitating issue for the labour forces in the State in case they come to know that such an issue is on the agenda of J&K SLBC.

Mr. Y. V. Sharma, President, JCCI, joining deliberations on the issue stated expressed gratefulness of the house for having deliberated upon this issue and requested that this issue be taken up on top priority. He requested that since the MSMEs are directly concerned over it, the government should take steps to resolve this issue.

After threadbare discussions, it was decided that the issue be taken out from the agenda of the Special SLBC on MSMEs in future.

AGENDA ITEM NO: 04

Workshop on Credit Guarantee Scheme for Micro & Small Enterprises:

The Chairman informed the house that pursuant to the decision of J&K SLBC as well as State Level Empowered Committee on MSMEs, two Workshops on Credit Guarantee Scheme for Micro and Small Enterprises were held on 1st of May 2010 at Srinagar and 24th September, 2010 at Jammu with the objective of generating awareness about the Credit Guarantee Scheme for Micro & Small Enterprises for the purpose of promoting MSEs sector in J&K State.

The joint workshops organized by J&K Bank, sponsored by CGTMSE, were coordinated by SIDBI. The workshop at Srinagar was inaugurated by the Chairman & CEO of J&K Bank at SKICC, Srinagar, and the second workshop at Jammu was inaugurated by the Executive Director, J&K Bank. A large number of representatives drawn from entrepreneurs, J&K EDI, representative organizations of Industries, SIDBI, J&K Bank, SBI, PNB, J&K Grameen Bank and other major Public Sector Banks, Industries & Commerce Department of J&K Government etc. participated in these workshops.

Other issues deliberated in the meeting:

1) Mr. Shakeel Qalander, Chairman, FCIK also expressed satisfaction that J&K Bank has recently issued a Circular which provides that all accounts that were under stress probably owing to the prevailing turmoil and disturbed conditions in the State would be considered for restructuring and the portion of interest for the specific period would be taken up separately as Working Capital Term Loan to be paid in instalments. But pleaded that this facility should be extended across the board in case of all the accounts that have suffered on account of the turmoil during the past 6 months. He also pleaded that after saving these accounts from slipping into NPAs by applying this mechanism there is need for affording second restructuring, which cannot be done by the banks also but the regulator, i.e. RBI has to grant permission for the same. Mr. Qalander pointed out that RBI has never come forward to save the entrepreneurs of J&K State in the turmoil and turbulent conditions during the past 20 years. It was only in the light of global recessionary impact that RBI came up with the guidelines for restructuring of accounts. Mr. Qalander also pleaded that NPA norms should be changed from the existing 90 days to 180 days in case of J&K.

Responding to this, Mr. N. K. Sahoo, DGM, RBI clarified that this house cannot give guidelines for restructuring or second restructuring of accounts. He stated that this house could only deliberate on such issues and can send requests to concerned quarters. He reminded that the main SLBC in its 80th meeting held in the morning session has already taken a view that a comprehensive paper would be submitted to the State Government, Central Government and Reserve Bank of India for grant of certain concessions, reliefs etc. to MSMEs for which the Chairman, Convenor bank has also sought views of the member banks and the Regional Director, RBI has requested the Chairman to make the paper very comprehensive taking all the points into account.

Regarding the demand for change of NPA norms from 90 days to 180 days, Mr. Sahoo vehemently clarified that it was not possible to consider this demand as we have already moved away from 180 days norms to 90 days era and there was no scope for going back to 180 days era. He stated that NPA norms are fixed at national level and there is no scope for making it J&K specific.

2) The representative bodies of trade & industry pleaded that the issue of rehabilitation/ revival of the potentially viable sick MSMEs units should be discussed in the house.

Mr. Umang Narula, Commissioner/ Secretary, Industries & Commerce, joining deliberations on the issue desired to know whether J&K Bank has any scheme for sick industrial units. Quoting an example, Mr. Narula stated that one of the entrepreneurs had come to him stating that his financier bank, i.e. Punjab National Bank has not been extending any help for rehabilitation of his sick unit. He desired that such issues need to be deliberated in this forum.

Reacting to this, the Circle Head, Punjab National Bank informed that Punjab National Bank too has a rehabilitation Scheme for the sick industrial units, but for that purpose the concerned entrepreneur has to come up with the rehabilitation proposal and has to put in some money as his stake. He informed that PNB has decided a number of cases on case-to-case basis.

Mr. Shakeel Qalander, Chairman, FCIK joining deliberations on the issue pointed out that Government of J&K has framed a policy under Government Order No.47-A whereby government has committed to provide 30% margin to banks who will be infusing additional funds to sick industrial units. He also informed that J&K Bank has come up with a rehabilitation scheme and desired that progress on that scheme needs to be reviewed.

Mr. M. S. Wani, Vice President (LBD/SLBC) stated that J&K Bank has integrated two processes, i.e. the bank is considering the viability part of the proposal and the financing is taken by the Bank and the Government together. Government provides 30%, whereas J&K Bank provides the residual amount. He made it clear that once this particular package is available for nursing of sick units in the State other banks operating in the State should volunteer in this arena and should not stick to the contribution or margin to be provided by the unit-holders because that comfort is provided by the State Government.

Mr. Shakeel Qalander, Chairman, FCIK stated that there was a scheme launched by State Government that SIDCO will provide 30% margin money for rehabilitation of sick industrial units, but unfortunately SIDCO itself went into read and their credit line was blocked by SIDBI and consequently they could not get the money to pay for 30% margin of entrepreneurs. He, however, informed the house that Prime Minister's Task Force on MSMEs, of which he was a member, had recommended establishment of a corpus of Rs.100 Crore for the purpose of rehabilitation of sick industrial units and the Prime Minister has in principal approved that proposal. Stating that the file was in the Planning Department of Government of India, Mr. Qalander expressed optimism that this would be announced within a month or two.

Mr. Qalander also pointed out that there is a State Level Rehabilitation Committee already in place under the Chairmanship of Mr. Umang Narula, where all the sick units are properly assessed for rehabilitation and then send to banks. Banks have to come up with a commitment that they will extend this capital infusion provided 30% margin is provided to them. He informed that J&K Bank has come up with a scheme that they do not even want this 30% margin component and in case the asset revaluation reveals that there is an overflow that would be taken as the margin from entrepreneur. The J&K Bank just want an assurance from the government that this 30% J&K Government is going to provide interest for 8 years till it is liquidated – J&K Bank has agreed on it.

The President, KCCI, Mr. Nazir Ahmad Dar pleaded for immediately convening meeting of the Task Force constituted by the Government under Mr. Umang Narula for looking into the issues relating to rehabilitation of sick Industrial Units in the State, for enabling to sort out the same.

It was decided that henceforth all the member banks shall provide relative data to SLBC regarding number of MSMEs sick units that have been rehabilitated by them for review in the special SLBC meetings.

(Action: All member banks/ financial Institutions)

As the representative of Banking Codes and Standards Board of India (BCSBI) could not report at the venue even till end of the meeting, therefore, the next segment of the meeting regarding presentation on Banking Codes and Standards could not be held and was deferred indefinitely.

While concluding the meeting, Mr. M. S. Wani, Vice-President, J&K Bank (LBD/ SLBC) thanked the participants for actively participating in the proceedings and assured that the actionable points shall be conveyed to the concerned quarters for their attention and desired action.

(M. S. Wani)
Vice President (LBD/SLBC)

ANNEXURE-A

**LIST OF PARTICIPANTS OF THE 9TH SPECIAL MEETING OF
J&K SLBC ON MSMEs HELD ON 22.12.2010 AT JAMMU**

<u>S. No.</u>	<u>Name of Participant</u>	<u>...</u>	<u>Designation / Department</u>
<u>Chairman</u>			
1.	Mr. A. K. Mehta	...	Executive Director/COO, J&K Bank (Convenor Bank)
<u>Reserve Bank of India</u>			
2.	Mr. N. K. Sahu	...	Deputy General Manager
3.	Mr. C. Sahoo	...	Assistant General Manager
<u>Government of J&K / other agencies</u>			
4.	Mr. Umang Narula	...	Commissioner/Secretary, Industries & Com.
5.	Mr. Mushtaq Siddiqi	...	Special Secretary, Finance Department
6.	Mr. Bilal Ahmad	...	Joint Director, Industries & Commerce
7.	Ms. Salima Bano	...	Joint Director, Industries
8.	Mr. Virinder Sharma	...	Director MSMEs Dev. Institute, Jammu
<u>J&K SLBC Convenor Bank (J&K Bank)</u>			
9.	Mr. Parvez Ahmad	...	President (A&AP) J&K Bank
10.	Mr. M. S. Wani	...	Vice-President (Lead Bank/J&K SLBC) J&K Bank
11.	Mr. J. M. Rafiqi	...	Vice President, J&K Bank
12.	Mr. Abdul Rauf	...	Vice President (PS & GB), J&K Bank
13.	Mr. G. R. Bhat	...	Sr. Executive Manager (LBD/SLBC), J&K Bank
<u>Other Banks/ RRBs</u>			
14.	Mr. K. K. Iyer	...	DGM, State Bank of India (ZO, Jammu)
15.	Mr. Ashok Gupta	...	DGM/ Circle Head, Punjab National Bank, Jammu
16.	Mr. A. K. Sinha	...	Chief Manager, Bank of India, Jammu
17.	Mr. K. L. Sharma	...	Sr. Manager Advances, J&K Grameen Bank
18.	Mr. R. S. Salathia	...	Chief Manager, JCC Bank
19.	Mr. Rajinder Mujoo	...	Chief Manager, Oriental Bank of Commerce
20.	Mr. P. K. Batra	...	Chief Manager, Canara Bank
21.	Mr. B. L. Meena	...	Senior Manager, Central Bank of India
22.	Mr. R. C. Sharma	...	LDM, SBI, Jammu
<u>SIDBI</u>			
23.	Mr. Sanjay Gode	...	Manager, SIDBI, Jammu
<u>Representative Organizations of MSMEs, Trade & Industry</u>			
24.	Mr. Shakeel Qalander	...	President, Federation of Commerce & Ind. Kashmir
25.	Mr. Nazir Ahmad Dar	...	President, Kashmir Chamber of Com. & Ind.
26.	Mr. Y. V. Sharma	...	President, Jammu Chamber of Com. & Ind.
27.	Mr. Annil Suri	...	Co-Chairman, Federation of Industries, Jammu

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