

## **MINUTES OF 84<sup>th</sup> MEETING OF SLBC (J&K)** **HELD ON 18<sup>th</sup> FEBRUARY 2012 AT JAMMU**

The 84<sup>th</sup> meeting of J&K State Level Bankers' Committee (SLBC) was held on 18<sup>th</sup> February 2012 at Jammu to review the progress of the initiatives of Financial Inclusion and performance of banks operating in J&K State for the quarter ended December, 2011 under ACP 2011-12. The Chief Secretary of J&K State, Mr. Madhav Lal, was the chief guest who presided over the meeting. Chairman & CEO of J&K Bank (Convenor of J&K SLBC) Mr. Mushtaq Ahmad steered the proceedings. Top functionaries of the Government administration, regulators and banks attending the meeting included Commissioner Secretary Agriculture Production, Mr. Naveen Chowdhary, Commissioner/ Secretary Industries & Commerce, Mr. Umang Narula, Commissioner/ Secretary Labour & Employment, Mr. Yadullah, the Director Department of Financial Services, Government of India, Ministry of Finance (Nodal Officer for J&K SLBC), Mr. Sanjeev K. Jindal, Regional Director for J&K Reserve Bank of India, Mr. K. K. Saraf and Chief General Manager NABARD (J&K R.O.) Mr. S. C. Rabra. List of senior officials of government, Reserve Bank of India, NABARD, various line departments, concerned development agencies and senior level representatives of major member banks and financial institutions operating in the State and other invitees who attended and participated in the meeting is enclosed as **Annexure-A**.

Commencing the proceedings Vice President J&K Bank (Convenor SLBC/ Lead Banking) Mr. M.S. Wani extended a formal welcome to the Chief Secretary of J&K State, other dignitaries, members, participants and invitees and requested the Chairman J&K Bank (Convenor) to deliver the keynote address and express his views and observations about the agenda items and credit administration in J & K state during the period under review.

The Chairman J&K Bank (Convenor), Mr. Mushtaq Ahmad after extending a warm welcome to the Chief Secretary, other dignitaries, members and participants expressed satisfaction that with the participation of high responsible levels the deliberations in the meeting would be fruitful and result oriented. Thereafter, he delivered the key note address, the glimpses of which are captured as under:

### **Keynote address by Chairman J&K Bank (Convenor SLBC) Mr. Mushtaq Ahmad:** **Financial Inclusion Programme**

Highlighting that the Financial Inclusion programme is the highest national priority, Mr. Mushtaq Ahmad expressed satisfaction over the progress made in respect of the Financial Inclusion Plan (FIP) of J&K State for providing of banking services in the 795 identified un-banked villages having population over 2000 allocated by SLBC, as banking outlets have been provided and 646 villages have been already covered. He expressed the hope that the results would be very positive during the left over period and the concerned participating banks shall ensure to achieve the targets by the stipulated date, i.e. 31<sup>st</sup> March, 2012. He also stated that the stigma of previously having 5 unbanked blocks in J&K State had been since washed off as not a single unbanked blocks existed now in the State. He observed that though the progress in respect of other initiatives of financial inclusion was encouraging yet a lot more needs to be done for reaching out, financial inclusion, credit linkage and services delivery to the so far excluded and under privileged segments.

### **Review of performance of banks under ACP**

Giving a brief account of the achievements made by banks in J&K State as at the end of 31<sup>st</sup> December 2011 Mr. Mushtaq Ahmad stated that as compared to last year performance of banks has shown improvement with J&K Bank taking the lead and being ahead of the rest. **As reflected by the indicators the major banks have to improve performance of credit delivery and need to contribute in a better way in the interests of the State.** Giving details he stated that the banks have provided a total credit of Rs.2,870.60 Crore to priority sector covering 1,39,831 beneficiaries under Annual Action Plan 2011-12 against the annual target of

Rs.3619.69 Crore for 2,37,892 beneficiaries, thus achieving 79% of the annual ACP target in financial terms and 59% in physical terms upto Q3 of the financial year 2011-12. Giving sector-wise analysis he stated that-

Under Agriculture Sector the banks have provided credit aggregating to Rs.640.17 Crore to 54,395 beneficiaries against a target of Rs.846.06 Crore favouring 1,38,748 beneficiaries, registering an achievement of 76% in financial terms and 39% in physical terms, during the period under review.

Under Small Enterprises Sector banks have disbursed credit aggregating to Rs.958.04 Crore in favour of 27,545 beneficiaries against the annual ACP target of Rs.1,725.95 Crore favouring 59,531 beneficiaries, thus registering an achievement of 56% in financial and 46% in physical terms.

Under Micro Credit Sector banks have disbursed credit aggregating to Rs.193.26 Crore in favour of 13,639 beneficiaries against the annual ACP target of Rs.476.41 for 26,005 beneficiaries, registering an achievement of 41% in financial and 51% in physical terms.

Under Education Sector banks have provided a credit of Rs.48.69 Crore in favour of 3,545 beneficiaries against the annual ACP target of Rs.151.36 Crore for 4,686 beneficiaries, registering an achievement of 32% in financial and 75% in physical terms.

Under Housing Sector all banks have significantly overshoot the targets having disbursed an amount of Rs.1,030.45 Crore in favour of 40,707 beneficiaries against the annual ACP target of Rs.419.91 Crore for 8,922 beneficiaries, registering a very high achievement of 245% in financial terms and 456% in physical terms.

**Commenting on bank-wise achievements Mr. Mushtaq Ahmad however, expressed concern that with the exception of J&K Bank other banks operating in the State have not performed well during the period under review and stressed that these banks need to activate the process and take concerted efforts to improve the position.** He pointed out that J&K Bank alone has disbursed 2,097.45 Crore against the target of Rs.1,492.44 Crore, thereby achieving 141% of its annual ACP target, which accounts for a lion's share of 73% of the total flow of credit to priority sector by all banks in the State.

SBI has disbursed Rs.171.61 Crore against the target of Rs.499.99 Crore, thereby achieving 34% of its ACP target, which accounts for 5.97% of the total priority sector credit disbursed in the State.

PNB having disbursed Rs.143.78 Crore against their annual ACP target of Rs.283.86 Crore achieving 51% of target, which accounts for 5% of total priority sector credit disbursed in the State.

Other Commercial Banks put together have disbursed Rs.113.11 Crore against the target of Rs.402.52 Crore achieving 28% of annual ACP target, which accounts for 4.5% of total Priority Sector credit disbursed in the State. Similarly Cooperative Banks and RRBs have contributed 4.60% and 7.34% of total priority sector credit disbursed in the State during the period under review.

Commenting on the credit disbursement under Government Sponsored Schemes Mr. Mushtaq Ahmad stated that against the Annual ACP target of 214.90 Crore for 18,788 beneficiaries for all banks operating in the State, the achievement of banks at the end of December 2011 under five major Government Sponsored Schemes, viz. SGSY, PMEGP, JKSES, SJSRY and SC/ST/OBC has been of the order of Rs.136.17 Crore spread over 9,563 beneficiaries in all the three regions of the State. He expressed satisfaction that continuous focus to improve the performance has yielded desired results and during the period under review the credit disbursement has increased to Rs.136.17 Crore as on 31.12.2011 as compared to Rs.96.43 Crore as on 31.12.2010.

- **Banks operating in the State were impressed upon to improve their performance in disbursement of credit in the State.**

**Action: All member banks**

- **Low C. D. Ratio in the State is a major concern thereby further underlining the need for banks to enhance flow of credit for improving the C. D. Ratio upto the desired level.**

**Action: All member banks**

Thereafter, the agenda was taken up for deliberations as under:

**Confirmation of the minutes of 81<sup>st</sup> meeting of J&K SLBC held on 14<sup>th</sup> December 2011:**

As no comments/ amendments from the members, participants and other concerned quarters were received regarding the minutes of the 83<sup>rd</sup> SLBC meeting held on 14<sup>th</sup> December 2011, which were published vide J&K SLBC office reference No. LBD/SLBC-83/2011-576 dated 28.12.2011, and were also webcast on website of J&K SLBC [www.jkslbc.com](http://www.jkslbc.com), the said minutes were confirmed by the house.

**Rolled over actionable points of earlier SLBC meetings (follow-up of outstanding issues)**

**1. Legislating SARFAESI Act:**

The Chairman J&K Bank pointed out that SARFAESI issue is a long pending matter and desired to have update on the issue from the State Government.

The Special Secretary Finance informed that the Ministry of Finance, GoI has responded to the communication from Law Department, GoJ&K, wherein they continue to hold the view that there are enough safeguards available in the legislation itself that address to the concerns of the State Government. He further informed that Ministry is likely to interact with the Chief Secretary on this issue through a Video Conference slated on 22<sup>nd</sup> February 2012.

The Chief Secretary also endorsed that the issue has to be discussed with the Ministry of Finance, GoI in the Video Conference being held shortly, wherein both sides will share their respective viewpoints for seeking a solution to the issue.

**Action: Principal Secretary Finance, J&K Govt.**

**2. Grant of interest subvention on Crop Loans– equating J&K Bank with other PSBs:**

Mr. Mushtaq Ahmad, Chairman, J&K Bank informed that after the approval of GoI, J&K Bank was awaiting a formal communication on the Interest Subvention from Reserve Bank of India. Responding to this, the Regional Director for J&K, Reserve Bank of India, Mr. K. K. Saraf informed that the communication had been already sent to the J&K Bank.

The Chief Secretary desired that since the issue has been sorted out now, therefore, henceforth the credit to agriculture sector in the State should show substantial improvement.

**3) Revised J&K Self Employment Scheme – Sub-group constituted in 82<sup>nd</sup> SLBC meeting to examine the macro issues within the Scheme.**

The Chairman J&K Bank desired to know the status of the communication that was sent to Reserve Bank of India for granting exemption from NDTL (maintenance of CRR and SLR) on the Subsidy Reserve Fund under revised J&K SES, for enabling banks to implement the said Scheme as per the revised guidelines.

Responding to this, the Regional Director for J&K, RBI informed that it has not been possible for RBI to accede to that request because RBI directives are applied uniformly all over the country, whereas this exemption would be State specific.

The Chief Secretary stated that since RBI has given its verdict on the issue therefore, the Commissioners/ Secretaries of Employment and Industries & Commerce departments need to re-look into the issue and take necessary steps to sort it out. He stressed that J&K SES is a very important Scheme for the State of Jammu & Kashmir.

**Action: Commissioner/Secretary, Labour & Employment,  
Commissioner/Secretary, Ind. & Com. J&K Govt.**

**4) Creation of Central Registry in J&K State:**

Giving the viewpoint of the State Government, the Special Secretary Finance stated that unless the issue of SARFAESI Act is resolved, there could be no forward movement on Central Registry issue, which otherwise had no hiccups. He pointed out that GoI had already notified the Central Registry under the SARFAESI Act and there has to be only one Registry including even for J&K State. Thus the two interlinked issues for J&K State have to be resolved together. The Chief Secretary desired to know the background of the issue regarding creation of Central Registry in J&K State.

Responding to this, the Vice President, J&K Bank/ J&K SLBC clarified that the issue signifies banks should be able to have such particular solution for facilitating searching the prior charges and encumbrances so that chances of double financing against the single property are avoided. He stated that since the SARFAESI Act is on hold in J&K State, the notification under this Act creating Central Registry has legal implications impacting the services.

**Action: Principal Secretary Finance, J&K Govt.**

**5) Disposal of 251 cases of artisans forwarded by Handicrafts Department to J&K Bank:**

The Vice President, J&K Bank/ J&K SLBC, Mr. M. S. Wani clarified that Director Handicrafts had stated in the previous SLBC meeting that these 251 cases of artisans are pending disposal with the J&K Bank.

The Director Handicrafts explained that J&K Bank with the intervention of the worthy Chairman has developed a mechanism and have also designated a Nodal officer for the purpose of quick disposal of artisans' cases. He pointed out despite that no tangible improvement has taken place as they are still at the reconciliation level. As per the latest reconciliation 311 cases of artisans are at present pending with the J&K Bank since January this year.

Responding to this President (A&AP), J&K Bank, Mr. Shafat Ahmad Banday, clarified that in order to sort out the issue of 251 pending cases his team had a meeting with the officials of the Handicrafts Department on 7.1.2012 but they presented a revised list of 1003 cases pending disposal with the bank in Kashmir valley alone which necessitated to reconcile the position before proceeding further. However, after ascertaining the position from the business units of the bank, it was found that out of the said 1003 reported cases the bank has already disbursed 276 cases, 161 cases have been returned to the department and 148 cases are those which have not been received by the bank so far. He however, informed that the process of reconciliation of these cases with the Handicrafts Department is going on and for disposal of these cases the bank has already designated a Nodal Officer.

The Chief Secretary expressed displeasure that focus of the discussion was on reconciliation of the cases, rather than ensuring that credit is actually disbursed to the deserving artisans. Stressing on the need for evolving a proper system, adopting the cluster approach and sending cases of a particular area to the respective zonal offices of the banks in bunches, the Chief Secretary advised the officers of Handicrafts Department to personally visit the concerned zonal offices of banks and ensure that the cases found complete in all respects, should be got sanctioned and disbursed by the bank without any delay.

- **It was decided that all the pending cases of artisans, which are complete in all respects must be cleared before 15<sup>th</sup> of March 2012 and be disbursed before 31<sup>st</sup> March 2012.**

**Action: President, A&AP, J&K Bank**

## **REPORT ON THE MATTERS REFERRED TO VARIOUS SUB-COMMITTEES OF J&K SLBC**

### **1. Meeting of Sub-Committee of J&K SLBC for Export Promotion**

Minutes of the meeting of the Sub-Committee of J&K SLBC for Export Promotion held on 12<sup>th</sup> December 2011 at Jammu, circulated vide Ref. No. JKSLBC/Export/2012-704 dated January 14, 2012 and also uploaded on the J&K SLBC website: [www.jkslbc.com](http://www.jkslbc.com), were taken on record with directions to the concerned to expedite action on the actionable points.

### **2. Meeting of the Steering Sub-Committee of J&K SLBC to monitor IT-enabled Financial Inclusion, FLCCs and Credit Plus Activities:**

Minutes of the meeting of said Steering Sub-Committee circulated vide Ref. No. LBD/SLBC/SSCIT/2012-653 dated February 12, 2012 and also webcast on the J&K SLBC website: [www.jkslbc.com](http://www.jkslbc.com) were taken on record with directions to the concerned to expedite action on the actionable points.

### **3. Impact Study of Government Sponsored Schemes**

The Sub-group of SLBC formed in the 82<sup>nd</sup> SLBC meeting headed by President (A&AP), J&K Bank and comprising other members from Employment and Industries & Commerce Departments of J&K Government to conduct the impact study of units established in J&K State after availing credit from banks under various Government Sponsored Schemes has submitted its report, wherein they have expressed satisfaction about the overall impact of establishing of units under Govt. Sponsored Schemes. The group has observed that barring a few cases, the units have been established which have created employment opportunities for people of the State.

Hence, the Chairman Convenor Bank observed that the Government Sponsored Programmes needed to be implemented in the State by all the stakeholders wholeheartedly keeping in view that the Study has found quite positive impact of these schemes.

#### **Agenda Item No. 84.01**

#### **(1) Providing of banking services in the un-banked villages having population of 2000 and above in J&K (Swabhimaan Project launched by RBI/ IBA):**

While reviewing the progress achieved by the concerned participating banks in implementation of the Financial Inclusion Plan (FIP) of J&K State, the house took on record that out of the total 795 identified un-banked villages having population >2000 in J&K State allocated by SLBC banking outlets have been already provided and 646 villages have been already covered thereby leaving 149 villages yet to be covered.

The Regional Director (for J&K) RBI informed that the progress was recently reviewed in the meeting of the Steering Sub-Committee of J&K SLBC to monitor IT enabled financial inclusion held on 31<sup>st</sup> January 2012 at Jammu, wherein the concerned banks were impressed upon to ensure that the targets are achieved by the stipulated date, i.e. 31<sup>st</sup> of March 2012, which the said banks have already assured. He desired to know the progress made by the concerned banks since then.

Responding to this the Vice President (J&K Bank/ J&K SLBC) informed that J&K Bank has 95 villages yet to be covered for which CSCs are not available. The matter is being actively followed with the concerned quarters for getting the CSCs organized at the earliest. He expressed the hope that these remaining villages would be covered by the stipulated date.

Chairman, EDB informed that they have already covered 32 villages out of the allocated 35 villages and assured that the bank would also cover the remaining 3 villages very soon.

Chairman, J&K Grameen Bank informed that they have already covered 80 villages and assured that the remaining 15 villages would be covered by the bank within the stipulated period.

DGM Punjab National Bank informed that PNB has already taken necessary measures in this regard and the process of appointing Business Correspondents has recently been completed. He assured that all the 35 allocated villages would be completed within the prescribed timelines.

The Director, DFS, Mr. S. K. Jindal, joining deliberations stated that though the number of villages yet to be provided the banking outlets is now very less, but **the number of financial inclusion accounts opened by the concerned participating banks is not satisfactory, as against the target of 4,63,000 accounts only 2,02,000 accounts have been opened so far, which was not satisfactory and stressed the need for substantially improving the position.**

**Action: Concerned Participating Banks**

The Special Secretary Finance, GoJ&K informed that Hon'ble Union Finance Minister has written to the Hon'ble Chief Minister of the State advising therein to convene a Special SLBC meeting to monitor progress on Swabhimaan. He requested that the directions emanating from the Ministry of Finance be complied with.

Responding to this, Vice President, J&K Bank/ J&K SLBC informed the house that in compliance with the said directive on the subject a meeting of the Steering Sub-Committee of J&K SLBC to monitor IT enabled Financial Inclusion, FLCC and Credit Plus Activities has been already held on 31<sup>st</sup> of January, 2012, which was chaired by the Regional Director, RBI and the position was reviewed and monitored. The minutes of the said meeting have been taken on record by the house just a while before.

The Chairman, Convenor Bank was of the opinion that the said issue of Financial Inclusion has been deliberated upon in detail and suggested that in case there is still scope for holding a Special SLBC meeting on the subject house should decide.

The Chief Secretary observed that if there is a specific directive from the Ministry of Finance to convene a Special SLBC on Financial Inclusion, it should be complied with in letter and spirit.

The Regional Director, RBI, suggested that it could be a truncated SLBC meeting and exclusively for deliberating the aspects of Financial Inclusion initiative and monitoring progress on implementation of the same.

- **It was accordingly decided that a Special SLBC meeting specifically for deliberating upon the Financial Inclusion initiative shall be held.**

**Action: J&K SLBC Secretariat**

## **(2) Implementation of Electronic Benefit Transfer (EBT) Scheme in J&K:**

The Chairman, J&K Bank informed the house that Govt. of India, Ministry of Finance, vide Circular dated 21.10.2011 have desired that transfer of subsidies and other benefits under various Social Security Schemes of GoI presently under operation across the country into the accounts of the beneficiaries under EBT would enhance the efficiency of delivery of such services. It has also been advised that such benefits in the areas under Financial Inclusion must be transferred electronically into the accounts of the beneficiaries. Accordingly, GoI, MoF have desired that SLBCs must finalize the roadmap for Electronic Benefit Transfer in respect of each scheme. For this purpose the Ministry of Finance has directed to adopt the One-district-many banks-one Leader Bank model, as specified under the Operational Guidelines on implementation of EBT and the need for convergence with Financial Inclusion Plan issued by RBI, so that the Central as well as the State Governments will, for administrative convenience, deal with only the leader bank, such leader bank will obtain funds from the Government through inter-bank transfer for credit to the accounts of ultimate beneficiaries and under the Service Area Approach, the banks would be responsible for the EBT to residents in their service area. The Chairman informed that for this purpose the State Government has, as a first step, to select

a leader bank for EBT implementation in consultation with RBI and SLBC and designate a Nodal Department for coordination at district level and also sign an MOU with the Leader Bank. The Chief Secretary desired to know from the concerned quarters whether the Government has designated the Nodal Department for the purpose.

The Special Secretary Finance informed that the Finance Department has already sent a communication to the Information Technology Department, GoJ&K in the matter.

The Chief Secretary advised that necessary measures in this regard be taken immediately, so that the directive of GoI, MoF is complied with in letter and spirit to achieve the objective of the initiative.

**Action: Principal Secretary Finance, J&K Govt.**

**Agenda Item No: 84.02**

**Evolving Action Plan for un-banked villages having population more than 1000 but less than 2000 in J&K State:**

The Chief Secretary asked the concerned participating banks for the progress regarding providing of banking services in these identified un-banked villages having population >1000 and <2000 in J&K State.

Responding to this, the DGM, State Bank of India, Mr. Ashok Gupta informed that State Bank of India has already covered the 95 villages allocated to it in the first phase of Financial Inclusion Plan and the bank was fully geared up for providing banking services in the 80 villages allocated to it by J&K SLBC in the second phase of the Financial Inclusion Plan. He assured the house that SBI would successfully accomplish the target as per schedule.

The DGM, Punjab National Bank, Mr. A. K. Gupta, assured that they have already taken up necessary measures to cover all the villages allocated to it within the stipulated time schedule.

The Chairman, J&K Grameen Bank, Mr. Raja Abdul Lateef, informed that J&K Grameen Bank has almost completed the coverage of villages having population over 2000 earlier allocated by SLBC in the first phase and assured that the bank will also cover all the 66 un-banked villages having population <2000 within the prescribed timelines.

Chairman, Ellaquai Dehati Bank, Mr. A. K. Razdan, also assured that the target would be accomplished within the stipulated timeframe.

The Vice President, J&K Bank/SLBC informed that this second phase programme of Financial Inclusion Plan starting from 1<sup>st</sup> April, 2012 has to be completed by the concerned participating banks in 6 months only, who seem to be quite optimistic to do so within the short span of time.

**Action: Concerned Participating Banks**

**Agenda item No. 84.03**

**Coverage of un-banked/ under-banked areas of J&K State:**

The Chairman, J&K Bank (Convenor, SLBC) expressed satisfaction that no un-banked block existed in the State now as all the previously identified un-banked blocks have been provided with new bank branches.

Thereafter the house reviewed the progress achieved by the banks in opening of new bank branches in the State in pursuance of the Branch Expansion Plan. The house took on record that out of the consolidated Branch Expansion Plan envisaging 209 new bank branches to be opened, banks have upto the end of December 2011 opened only 18 new bank branches. The progress achieved was not considered satisfactory. Concerned banks were advised to ensure that new bank branches be opened very soon.

**Action: Concerned Banks**

**Agenda item No. 84.04**

**Implementation of 100% Financial Inclusion in J&K State:**

The house observed that the directives of the GoI, MoF as conveyed vide Circular dated 21.10.2011 regarding Strategy and Guidelines on Financial Inclusion, were not being implemented in letter and spirit and the progress was not satisfactory.

The Director, DFS, GoI, MoF, Mr. S. K. Jindal reiterated that the GoI directive that Branch Managers or the staff members from the concerned area should visit the villages once every week alongwith the laptop and provide banking services to the people in these villages is not being complied with. Underlining that conducting these weekly visits by Branch Heads to BCs in the villages was imperative for instilling faith and confidence of the people in the BCs working there that they are really the part of the banking mechanism and have been appointed for providing banking services to the people, He impressed upon all the Lead District Managers to ensure that such visits by the Branch Managers are organized and a calendar for the purpose be enforced. He informed that even for urban and semi-urban areas GoI has issued the new directive that one of the staff members of the concerned bank should go round 500 yards area every week for doing financial inclusion of the people like cobblers, hawkers etc. who do not have access to the banking system.

The Chief Secretary highlighting the significance of these weekly visits of FIP villages by the Branch Managers desired to know whether these GoI directives have been received and if necessary modalities in this regard have been evolved for the operation level functionaries. He stated that in case there are any difficulties being confronted by the banks in this regard, those need to be sorted out early.

Mr. M.S.Wani responded that necessary instructions in this regard have already been issued to all the banks as well as all Lead District Managers in the State for desired compliance.

The Chairman, Convenor Bank observed that in order to ensure implementation of these GoI directives there is urgent need to activate the process by all the banks. He stressed that unless and until the functionaries of bank branches move out, reach to the people in the villages and explain to them the banking facilities being made available to them, there could be no positive response from the people. He also impressed upon all the Lead District Managers/ Lead Bank Officers to reach out to the people and educate them.

- **The concerned banks were directed to put in place the appropriate mechanism immediately to ensure that the Government of India directives in the matter are strictly complied with.**

**Action: All member banks/ LDMS**

Apart from the above, the house directed that all the directives of GoI, MoF as conveyed vide the Circular dated 21.10.2011 including the following, should be implemented in letter and spirit:-

1. In the under-banked districts as listed by RBI, the banks shall within their service area open a regular brick & mortar branch in larger habitations with population of 5000 and above by September 2012. Such branches could initially be ultra-small having lesser staff, say 2-3 persons, with ATM facilities. The staff strength could be increased as the business grows.
2. All migrant labourers and other citizens in the under-privileged classes who do not have bank accounts need to get bank accounts.
3. One person in the zonal offices of the banks should be made responsible for driving the e-payments in the banks.
4. Inoperative accounts are a liability. Therefore, steps should be taken to revive these by giving them KCC/ GCC.

**Action: All member banks/ LDMS**



**Agenda item No. 84.05**

**Achievement under Kissan Credit Card (KCC) Scheme:**

The Chairman, J&K Bank informed that as against the annual target of Rs.416.69 Crore for 64,286 beneficiaries, banks in the State have provided credit of Rs.56.51 Crore to 14,080 beneficiaries at the end of Q3 of FY 2011-12 thereby registering a meager achievement of 13.56% and 22% in financial and physical terms respectively, which was considered quite unsatisfactory.

Pointing out in the last SLBC meeting it was decided to work for 100% coverage of farmers under KCC Scheme by the end of March 2012 in terms of the GoI, MoF directive, the Chief Secretary desired to know the progress on implementation of the said programme.

Responding to this the Vice president, SLBC informed the house that in compliance with the decision of the 83<sup>rd</sup> meeting of J&K SLBC, the J&K Bank has already designed the simplified application form for Crop Loans/ KCC, common for all banks. The said form has been since webcast for download and use on [www.jkslbc.com](http://www.jkslbc.com) and also printing of 17.00 lakh such forms has been arranged, which are now ready and at the disposal of Govt. Agriculture Production Department for distribution among the farmers and further course of action at their end. However, the Commissioner/ Secretary, Agriculture Production Department has not so far responded to the request of SLBC/ J&K Bank for designating a Nodal Officer to take delivery of these forms and closely monitor and supervise the distribution of these forms among the farmers and collecting back the duly completed forms for delivering to the bank branches in the service area in a systematic planned and smooth manner. On reminding them we were told that the forms be delivered to Directors of Agriculture Department in Kashmir as well as in Jammu but the first consignment of 4.29 lakh forms sent to Office of the Director, Agriculture Department (Kashmir), has been refused citing ignorance of any directions in this regard.

The Regional Director, RBI clarified that as per the decision taken in the last SLBC meeting using of the soft copies of the forms was to be done only till the printed forms would be made available by the J&K Bank. He observed that since sufficient stocks of the printed forms for Crop Loans/ KCC are reportedly now ready for distribution the Government should honour the commitment and evolve suitable mechanism for distribution of these printed forms to all the eligible farmers in the State in a systematic manner.

The Chief Secretary, therefore, advised the Commissioner/ Secretary, Agriculture Production Department to look into the matter and take immediate necessary action to ensure that the matter is sorted out at the earliest and a suitable mechanism is evolved for distribution of these printed forms to all the eligible forms in J&K State. He also advised the concerned functionaries be need to be properly sensitized about the whole operation and a nodal agency has to be mandated for overseeing the whole operation. **He directed that the programme needs to be taken up very seriously and completed within the next couple of months.**

The Commissioner/ Secretary, APD stated that since J&K Bank, as mandated, has arranged printing of 17.00 lakh application forms for 100% coverage of farmers under KCC Scheme, the job has therefore, to be completed in a mission mode by involving the extension agencies and field functionaries of APD as well as the PRIs for implementation of the programme in the desired manner. He stressed that the Revenue Department should ensure availability of land records for being mentioned in the application forms. He assured the house that the job shall be accomplished as soon as possible.

**Action: Com./Secretary, Agri. Production Deptt., J&K Govt.**

The Director, DFS, Mr. S. K. Jindal reminded the house that GoI, MoF has dispensed with the system of obtaining No Due Certificates for the farmers and that the banks will not levy any kind of charges on the farmers. Besides, all the non-farmer families have also to be provided with the General Purpose Credit Cards (GCCs).

**Action: All member banks**

**Agenda Item No. 84.06**

**Opening of Financial Literacy and Credit Counseling (FLCC) Centres in J&K State:**

Noticing that only two FLCC Centres in districts Jammu and Udhampur have been set up so far the Regional Director, RBI expressed concern that there has been no progress since the said two FLCC Centres were set up by State Bank of India long back. He stated that not a single FLCC Centres has been set up by the J&K Bank so far despite assurances to do so. The issue was discussed threadbare in the recently held meeting of the Steering Sub-Committee of J&K SLBC to monitor IT enabled Financial Inclusion, FLCCs & Credit Plus Activities, wherein both the lead banks, viz. J&K Bank and SBI assured that more FLCC Centres would be set up in the State by the end of March 2012.

CGM, NABARD, joining deliberations on the issue informed the house that FLCC Centres have to be set up by the concerned banks maintaining arms length with the banks and these have to be manned by ex-officials.

The Chief Secretary desired to know whether the banks would need to outsource staff for manning these FLCC Centres and whether these Centres would be manned by a single person or more staff would be needed.

Responding to this, the AGM, RBI informed that staff for FLCC Centres can be arranged through the outsourcing mechanism also but the requirement is that the persons concerned should have fair knowledge of banking. He stated that the requirement has to be decided by the lead bank concerned.

The Chief Secretary impressed upon the concerned banks to take necessary steps immediately to ensure setting up of more FLCC Centres in their respective allocated districts.

**Action: J&K Bank / State Bank of India**

**Agenda Item No.84.07**

**1) Setting up of Rural Self-Employment Training Institutes (RSETIs) -**

**2) Allotment of land by GoJ&K for creating permanent infrastructure for RSETIs:**

The Chairman, J&K Bank informed that so far the RSETIs have been set up in 16 districts of the State, i.e. by J&K Bank in its 10 lead districts of Srinagar, Budgam, Baramulla, Bandipora, Pulwama, Shopian, Anantnag, Kulgam, Poonch and Rajouri and SBI in its 6 lead districts of Samba, Udhampur, Reasi, Jammu, Kathua and Kishtwar. He, however, pointed out that all these RSETIs are operating from rented premises as the State Government has not so far allotted land for construction of permanent infrastructures for these RSETIs as required under the relevant guidelines issued by GoI, Ministry of Rural Development.

The President A&AP, J&K Bank informed that as per GoI, MoRD directive some 8-10 kanals of land is required for each of the RSETIs. He further stated that although process of identification of land has been going on since long, but it has not been finalized so far and the RSETIs so far set up in the State are operating in rented premises.

The Vice President, J&K Bank/SLBC informed that these RSETIs would not be able to secure reimbursement of funds for payment of rentals from the GoI, MoRD, as the same has been made subject to production of documents regarding allotment of land by the State Governments allot.

The Chief Secretary expressed concern that despite clear guidelines from the GoI, Ministry of Rural Development, and lapse of a long time there has been no progress for allotment of land for these RSETIs. He advised the Special Secretary Finance to include the issue of allotment of land to RSETIs in the memorandum to be issued on his behalf to the Deputy Commissioners of the districts.

**Action: Special Secretary Finance, J&K Govt.**

**AGENDA ITEM: 84.08**

**Formation of Service Area Plans for each District – uploading the same on district websites:**

The house was informed that in terms of GoI, MoF, DFS directives the Service Area Plans for all the districts, as per the prescribed format of GoI, MoF, were required to be uploaded on the respective district websites.

The Vice President, J&K Bank/SLBC clarified that the new concept of Service Area Plan is related to the villages having population >2000 and is different from the old Service Area Concept of Government Sponsored Programmes. He stated that the instructions of GoI, MoF that the Service Area Plans should be uploaded on the district websites as per the allocation of villages to different banks, so that people know that these are the banking outlets where they should converge on for banking facilities and services. He informed that as per reports received 8 districts have already uploaded these Service Area Plans on the websites and 6 others were in the process of doing so. He, however, pointed out that in the newly created 8 more districts of the State no websites hosted by NIC are available so far.

The Director, GoI, MoF, Mr. S. K. Jindal pointed out that the progress in the matter is not at all satisfactory as only 8 districts have so far reported compliance with the said GoI, MoF directive. He observed that in case in any districts the websites are not available, the Service Area Plans in such districts should be got uploaded on the websites of concerned banks. He clarified that the objective of this programme is that information is made available to the people about the banking outlets where they have to report for financial inclusion.

The Chief Secretary observed that it was necessary that people as well as the district-level functionaries of the State Government and the banks should be fully aware of these GoI directives for ensuring successful implementation of these programmes.

The Chief Secretary advised that since these are the GoI directives, not only the banks but the government functionaries at the district level also have a significant role to play, therefore, all these aspects of the financial inclusion process should be included in the memorandum to be issued to the Deputy Commissioners on his behalf.

**Action: Special Secretary Finance, J&K Govt.**

**Agenda Item No: 84.09**

**CREDIT TO PRIORITY SECTOR:**

**Bank-wise/Sector-wise, Region-wise/Sector-wise achievements in lending to Priority Sector under Annual Credit Plan 2011-12 as at end of December 2011.**

Chairman, J&K Bank informed that the banks have provided a total credit of Rs.2,870.60 Crore to priority sector covering 1,39,831 beneficiaries under Annual Action Plan 2011-12 against the annual target of Rs.3,619.69 Crore for 2,37,892 beneficiaries, thus achieving 79% of the annual ACP target in financial terms and 59% in physical terms during the period under review. Giving institution-wise details, he pointed out that J&K Bank has achieved 141% of its target under ACP 2011-12, whereas SBI had been able to achieve only 34%, PNB 51%, Other Commercial Banks put together have managed just 28% and Cooperative Banks and RRBs 33% of their respective targets. He expressed concern that except J&K Bank, the performance of all other banks operating in the State, particularly the Nationalized banks was quite dismal.

The Regional Director, RBI, pointed out that SBI has recorded just 34% of its ACP target and PNB only 51%, which was not at all satisfactory, as the performance at Q3 should have been at least 75% of the target.

Stating that there are no major bottlenecks in the State that would come in the way of performance of the banks, the Chief Secretary stated that year after year these banks are falling short of the targets. He emphasized upon the banks to introspect as to why they are not able to

achieve the targets. He stressed the need to focus on the strategy to be adopted by the banks for achieving the targets fixed under Annual Credit Plans.

- **State Bank of India, Punjab National Bank and other nationalized banks operating in the State were advised to ensure that their performance in the state is substantially improved during the remaining period of the CFY and the targets fixed under the ACP are met.**

**Action: All Public Sector Banks**

**Agenda Item No: 84.10**

**CREDIT UNDER GOVERNMENT SPONSORED SCHEMES**

**Region-wise / District-wise / Scheme-wise and Bank-wise / Scheme-wise performance of various Banks under Government Sponsored Schemes upto 31st December 2011:**

The Chairman, J&K Bank (Convenor SLBC) informed the house that against the Annual ACP target of 214.90 Crore for 18,788 beneficiaries for all banks operating in the State, the achievement of banks at the end of December 2011 under five major Government Sponsored Schemes, viz. SGSY, PMEGP, JKSES, SJSRY and SC/ST/OBC has been of the order of Rs.136.17 Crore spread over 9,563 beneficiaries in all the three regions of the State.

He further stated that although during the period under review the credit disbursement under Government Sponsored Schemes in the State has increased to Rs.136.17 Crore as on 31.12.2011 as compared to Rs.96.43 Crore as on 31.12.2010, yet there is scope for further improving the position.

- **All banks operating in the State were advised to take necessary measures immediately to ensure that their performance in overall lending in the State is substantially improved.**

**Action: All member banks**

**Agenda Item No. 84.11**

**Performance under Handicrafts/ Handlooms as on 31<sup>st</sup> December 2011:**

The Chairman, J&K Bank informed the house that under Handloom Scheme as against a target of Rs.15.84 Crore for 1,696 beneficiaries set for banks for FY 2011-12 banks in J&K State have disbursed a total amount of Rs.2.04 Crore to 310 beneficiaries by the end of Q3 of FY 2011-12.

Similarly, under Handicrafts scheme as against the target of Rs.25.26 Crore for 4,311 beneficiaries set for banks under this sector for the FY 2011-12, banks have disbursed a total amount of Rs.6.29 Crore to 1017 beneficiaries by the end of Q3 of FY 2011-12.

The Chief Secretary observed that in the last meeting a decision was taken that Artisans Credit Card Scheme needs to be promoted in the State as the same was very important in the context of J&K. He desired to know the progress on the issue, or in case there are any difficulties, or any technical hitches in the Artisans Credit Card Scheme, they should be deliberated upon for being sorted out.

The Director Handicrafts, Mr. Muzaffar Hussain informed that under Artisans Credit Card Scheme the interest subvention was not available to the artisans, therefore the artisans whose cases were pending with the J&K Bank, were motivated to take micro credit instead of the finance under ACC Scheme for being eligible to 10% interest subsidy, which otherwise they would not get under ACC Scheme.

The Commissioner/ Secretary, Industries & Commerce, Mr. Umang Narula pointed out that despite having been decided in the last few SLBC meetings the progress under Artisans Credit Card Scheme is not being reviewed owing to the fact that the data for the same is not being reported by the banks.

Summing up the deliberations on the issue the Chief Secretary reiterated the need for adopting a proactive approach for promoting the Artisans Credit Card Scheme in the State.

**Action: Concerned Government Departments**

All the banks / Lead District Managers were advised to ensure that data regarding achievements under the Artisans Credit Card Scheme be submitted to the SLBC Secretariat regularly for facilitating review in the SLBC meeting.

**Action: All member banks/ Lead District Manager**

### **Agenda Item No. 84.12**

#### **ACHIEVEMENT UNDER SELF HELP GROUP (SHG) AS AT END OF DECEMBER 2011:**

The Chairman, J&K Bank informed the house that in J&K State the cumulative position of the Self Help Groups formed in the State stood at 6716 against which only 5,441 SHGs have been credit linked upto 31<sup>st</sup> December 2011. He observed that the position was very dismal.

The Regional Director, RBI stated that the data available gives a very poor picture of the achievements.

CGM, NABARD, joining deliberations on the issue informed that all over the country there are more than 80.00 lakh Self Help Groups, out of which around 65.00 lakh SHGs have been credit-linked, whereas in J&K State the position was extremely poor. He stated that there is enough scope in the State for forming of the SHGs and requested the bankers to come forward and improve the position. He stated that since the SHG programme happened to be one of the components of the Financial Inclusion programme, the banks should take necessary steps to scale up the awareness about the importance of the SHG-bank linkage programme.

Offering that NABARD would extend support and cooperation, the CGM NABARD stated that in case the banks feel that their awareness in the matter needs to be scaled up, they should put up proposals to NABARD for exposure visits.

The CGM, NABARD stated that there is a limited number of NGOs existing in J&K State and most of them are not aware how the SHG concept can be introduced. He informed that during the last few months NABARD has taken into fold the Anganwadi Workers, and under this initiative NABARD has tried to apprise them how this concept can be introduced at the ground level.

Attributing the poor performance under SHG Scheme to lack of commitment, knowledge and capability with the government departments as well as with the banks, the Chief Secretary observed that people here are weary of working with the Non-Governmental groups. He stated that SHGs are the un-organized people not knowing which way to go and nothing has been done here to organize this un-organized sector. The Chief Secretary sought comments of the MD, Womens' Development Corporation, Ms. Nahid Soz in the matter.

Ms. Nahid Soz informed that the WDC has done a pilot project for some 4-5 years and it was found that nurturing a Self Help Group and making them self reliant would require financial as well as man power support. She stated that the initiative needs a well thought strategy and a plan to nurture these and that there is need to be with the SHG for at least 5 years. She stated that her organization is still handholding the SHGs formed before 2008, by convergence of the schemes of WDC, i.e. the income generating activities or the awareness camps.

Summing up the deliberations on the issue, the Chief Secretary stated that whether the banks can extend help for scaling up the process of SHGs or the Government Departments can provide any help, for organizing the SHGs there is need for capacities and some resources. He desired that the initiatives need to be discussed in the meetings of separate sub-groups for framing suggestions in the matter.

**Action: J&K SLBC Secretariat**

### **Agenda Item No. 84.13**

#### **Interest Subsidy Scheme for Housing the Urban Poor (ISHUP):**

Taking note that upto 31<sup>st</sup> December, 2011 only 78 cases under ISHUP Scheme have been sponsored, out of which only 11 cases have been sanctioned involving an amount of Rs.11.60

lakhs, the Chief Secretary desired to know the reasons for such a low performance under the Scheme.

Responding to this the representative of Housing & Urban Development Department, J&K Govt. informed that once the cases are sponsored, their sanctioning at the bank-level is delayed, which takes away the enthusiasm of the beneficiaries. He stated that banks should have only 15 days time to sanction a case or return it and requested that banks should quicken the process of sanctioning cases under ISHUP.

The Chairman, J&K Bank desired to know whether the bank has returned any cases to the department and if so, what reasons have been cited for rejection.

The representative of HUDD replied that as per the feedback available often lack of documentation happens to be the reason for rejection of cases.

The Regional Director, RBI pointed out that the cases of ISHUP have been sponsored to the J&K Bank only and desired to know why these cases are not being sponsored to other banks like SBI and PNB also, so as to find out the cases of delay at bank level.

The Chief Secretary emphasized the need for the detailed study why the scheme does not take off in J&K, why the documentation is lacking and what are the other impediments in it. However, for minimizing the chances of rejection of cases by the banks on account of inadequate documents, the Chief Secretary advised that a proper system of check listing and standardization should be introduced, so that inadequate or incomplete cases are not sponsored to the banks.

**Action: Com./Secretary, Housing & Urban Dev. Deptt. J&K Govt.**

#### **Agenda Item No. 84.14**

##### **BANK CREDIT AT A GLANCE (OVERVIEW OF CREDIT SCENARIO IN J&K STATE)** **Statistical data of various Banks in J&K State as at end of December 2011:**

The Chairman, J&K Bank informed the house that the total advances of all banks operating in the State as on 31st December 2011 stood at Rs.18,018.26 Crore against Rs.17,737.11 Crore during the corresponding period of previous year.

The C. D. Ratio of all banks operating in the State stood at 35.18% as on 31st December 2011 against 41.42% as on 31st December 2010.

The Regional Director, RBI pointed out that the decline in the C.D.Ratio from 41.42% as on December last to 35.18% today was a matter of concern.

- **All the member banks / financial institutions operating in the state were impressed upon to take suitable measures immediately to ensure that their C.D.Ratio is substantially improved.**

**Action: All member banks/ financial institutions**

#### **Agenda Item No: 84.15**

##### **Review of position as per key indicators for monitoring flow of credit in J&K State as of 31<sup>st</sup> December 2011:**

The position regarding key indicators of performance of banking sector in J&K State as at the end of December 2011 was taken on record. Member banks were advised to improve the position.

**Action: All member banks**

#### **Agenda Item No: 84.16**

##### **Credit delivery to Micro, Small and Medium Enterprises (MSMEs):**

The progress achieved by banks on implementation of IBA package on MSMEs and other productive sectors as at the end of December 2011 was taken on record.

**Agenda Item No. 84.17**

**Flow of credit in Minority Concentrated Districts:**

Achievement of banks recorded in disbursement of credit to the only declared Minority Concentrated District of J&K, viz. District Leh, were taken on record.

**AGENDA ITEM: 84.18**

**1% interest Subvention Scheme (ISS) for housing loans upto Rs.15 lakhs with cost of the house not exceeding Rs.25 lakhs:**

The Chairman, J&K Bank informed the house that the 1% Interest Subvention Scheme of the GoI, MoF is in operation since October 1, 2009, which provides for interest subsidy on housing loans to eligible borrowers and is being implemented throughout the country by Scheduled Commercial Banks (SCBs) and Housing Finance Companies (HFCs) registered with NHB. The Scheme has been extended for FY 2011-12 with increase in the housing loan limit from the earlier Rs.10 lakh to Rs.15 lakh and the cost of unit from the earlier Rs.20 lakh to Rs.25 lakh respectively.

In terms of GoI, MoF, DFS letter No. 5(60)/2009-Dev/IF-II dated 15<sup>th</sup> December, 2011, the NHB has now been designated as the common Nodal Agency for both Banks and HFCs. Accordingly, NHB has revised the Guidelines for implementation of the Scheme incorporating the changes announced in the Union Budget 2011-12.

Interest subsidy of 1% is applicable for the first 12 months of eligible loans sanctioned and disbursed during the currency of the Scheme. After sanctioning and disbursing the eligible loans, the implementing agency can claim disbursement of subsidy from the Nodal Agency (NHB) on monthly basis.

After brief deliberation, the scheme was adopted for implementation in J&K State.

**Action: All member banks**

**AGENDA ITEM: 84.19**

**(i) Revival, Reforming and Restructuring Package for Handloom Sector;**  
**(ii) Comprehensive Package for Handloom Sector & (iii) Weavers' Credit Card Scheme**  
**announced by GoI, Ministry of Textiles:**

**Revival, Reforming and Restructuring Package for Handloom Sector;**  
**Comprehensive Package for Handloom Sector**

The Additional Development Commissioner Handlooms, Mr. S. K. Jha (representing Dev. Commissioner, Handlooms, GoI, Ministry of Textiles) highlighted that under Financial Package, the GoI has introduced the loan waiver of individual Handloom weavers as well as Handloom Cooperative Societies, for implementing the same the GoI requires the principal approval of the Government of J&K that the State Government is willing to participate in the Scheme and pay 10% share and bring in reforms in the Cooperative Sector. If that willingness comes to GoI, then only NABARD will be able to do the special audit in the State. He stated that the commitment from the State Government is yet to be received by office of the Dev. Commissioner, Handlooms.

CGM, NABARD informed that for this purpose NABARD is holding a meeting with the Directorate of Handlooms, wherein all these aspects would be discussed and sorted out, which include that audit of the apex Cooperative Societies has to be completed with reference to the period 21<sup>st</sup> March, 2010. He clarified that the letter of consent has to go from the State Government that J&K Government is ready to participate in the Scheme, based on that the MOU has to be entered into, whereafter NABARD will undertake special audit. He stated that State Government has to bear 10% share and the 90% would be borne by the GoI.

The CGM NABAD also clarified that banks also have to pass on the message to the branches that they have to waive overdue interest to the extent of 75% and penal interest and that they

have to give an undertaking that they will be extending fresh credit facilities upto Rs.20,000/- to the borrowers, only then this interest subvention amount will come to the banks.

The Chief Secretary observed that the State Government is required to make some commitment and the banks are required to give some undertaking for enabling the scheme to take off in the State. He advised the Commissioner/ Secretary, Industries & Commerce to coordinate the matter and ensure that the Handloom package is properly implemented in the State of J&K properly, so that the handloom weavers of the State are benefited.

**Action: Com./Secretary, Ind. & Com., J&K Govt./All member banks**

### **Weavers' Credit Card Scheme**

The Additional Development Commissioner Handlooms, Mr. S. K. Jha informed the house that similar to the Artisans Credit Card Scheme, office of the Development Commissioner Handlooms, GoI, MoT, has issued the directive for the Weaver's Credit Card Scheme. For this purpose awareness camps and registration camps are taking place all over the country and that the Director Handlooms, J&K State had been directed to hold registration camps for Handloom weavers in J&K.

He stated that in order to facilitate smooth flow of credit to the handloom weavers, the following initiatives had been announced:

- (i) Rs.4,300/- as margin money in advance will be provided to the banks through NABARD.
- (ii) 3% interest subsidy for a period of 3 years will be provided by Government of India; and
- (iii) Over & above, the 85% of the loan component will be guaranteed under CGTSME Scheme.

He informed that for all these three things neither weavers nor the banks have to pay anything and entire expenditure will be borne by office of the Development Commissioner Handlooms. He stated that the Weaver's Credit Card Scheme be implemented in the J&K State. He stated that as per Census records, there are about 20,000 Handloom Weavers in J&K State. However, the State Government has been asked to issue the identity cards to the handloom weavers and it was likely that the number of handloom weavers in J&K State could increase. He further stated that the Scheme has already been implemented in many States like UP, Uttarakhand, Kerala, Bihar, West Bengal and Orissa where the Scheme is doing well.

Director Handlooms, J&K Government informed that 5 Awareness cum- Registration Camps were sanctioned by the Dev. Commissioner Handlooms, which have already been conducted by the department 3 at Srinagar and 2 at Jammu. She informed that the Handloom Department at its level also is conducting more awareness camps in all the districts, wherein the registration forms are being distributed among the weavers so that all the handloom weavers are registered with the department and could be sent to banks for issuance of Weavers' Credit Cards to enable them to avail credit facilities from the banks.

The Chief Secretary stated that the scheme has been introduced very recently, so he advised the concerned government departments and the banks to be proactive and take necessary steps for implementing the scheme in J&K State.

**Action: Com./Secretary, Ind. & Com., J&K Govt./  
Director Handlooms/ All member banks**

### **Other issues deliberated in the meeting:**

- 1) The CGM, NABARD informed that the State Credit Seminar was held by NABARD on 16<sup>th</sup> January 2012, which was presided over by the Hon'ble Finance Minister, J&K State. The Credit Plan for the FY 2012-13 envisaging Rs.4,279.99 Crore was approved in the said Seminar.
- 2) The CGM, NABARD also pointed out that in the 83<sup>rd</sup> SLBC meeting he had requested the house to reconsider the Stamp duty prevalent in the State as the same was comparatively higher. But in the said meeting the then Commissioner/Secretary Finance had advised him to come out with some considered view whether the Stamp duty rates in J&K State are comparable with other States or not. He stated that he has done the homework and collected specific data, which indicates that the stamp duty in J&K State on agricultural



loans is higher than what it is in other States of the Country. He informed that in Bihar no stamp duty is being levied on agricultural loans upto Rs.5.00 lakhs. In Assam the stamp duty is waived upto loans of Rs.50,000/-. In Madhya Pradesh there is no stamp duty on agricultural loans upto Rs.10.00 lakh. In Rajasthan the Agricultural loans are exempted from stamp duty. He stated that the government notifications from the respective States have been obtained for review of the Stamp Duty structure by the State Government for making loans to agriculture cheap.

The Chief Secretary advised the concerned department to look into the issue of stamp duty, so that higher stamp duty does not become an impediment in adequate flow of credit to agriculture. He emphasized the need that the benefit should reach out to the small and marginal farmers of the State given the average small size of landholdings of the farmers in the J&K State.

**Action: Principal Secretary Finance, J&K Govt.**

3) The Director, DFS, Mr. S. K. Jindal stated that the Ministry of Finance has now decided to have the data on financial inclusion on weekly basis and impressed upon all the Lead District Managers and the banks operating in the State to provide all data on financial inclusion to the Convenor Bank on weekly basis, so that the consolidated position is transmitted to GoI, MoF regularly.

**Action: All member banks/ LDMS**

### **Presidential address and concluding remarks by the Chief Secretary:**

The Chief Secretary, Mr. Madhav Lal, in his brief address underlined the need to remove structural bottlenecks in respect of cross section of areas including agricultural credit, artisans, handicrafts and handlooms, micro enterprises and other vital sectors. He stated that it is important that we are able to allocate resources to organize the unorganized sections of the population, build their capacities, communicate with them and enable them to avail subsidy and credit for their development. He remarked that there should be flexibility to tweet the schemes for the people for easy access to adequate and timely credit with minimum paper work and easy drawl of funds.

He asked the banking institutions to vigorously activate the process of extending banking facilities to all the villages as per guidelines and ensure that the bank representatives visit the villages frequently and interact with and disseminate information to the public at the grass root level.

The Chief Secretary advised the heads of departments to ensure that Government sponsored schemes progress in terms of better credit flow and reach and directed for broader participation between the banking and related institutions for better outcomes.

The Chief Secretary reiterated the need for adopting a proactive approach regarding Kissan Credit Cards, Artisans Credit Cards and Weavers' Credit Card schemes and advised that well-thought out strategies be followed for 100% coverage of farmers under KCC Scheme across the State.

The meeting ended with a vote of thanks to the Chair, which was presented by the Vice President (LBD/ SLBC), J&K Bank. He requested all the participants to join for a working lunch hosted by the Convenor Bank.

**(M. S. Wani)**  
**Vice President**  
**(LBD/J&K SLBC)**

## Annexure-A

### **List of Participants** **84<sup>th</sup> SLBC Meeting held on 18.02.2012 at Jammu**

<u>Name of Participant</u>	<u>Designation</u>	<u>Organization</u>
<b><u>Convenor</u></b>		
1. Mushtaq Ahmad	Chairman & CEO,	J&K Bank
<b><u>Chairman of the meeting</u></b>		
2. Madhav Lal	Chief Secretary	J&K State
<b><u>Government of J&amp;K State</u></b>		
3. Umang Narola	Com. / Secretary	Industries & Commerce Deptt.
4. Yedullah	Com. / Secretary	Labour & Employment Deptt.
5. Naveen Chowdary	Com. / Secretary	Agriculture Production Deptt.
6. Sangat Biswas	Addl. Secretary	Housing & Urban Dev.
7. Mushtaq Siddiqi	Special Secretary	Finance Department
8. Irshad Ahmad	Special Secretary	Law Department
9. Anal Kumar Gupta	Special Secretary	Tourism Department
10. B.S. Dua	Director	Industries & Commerce Jammu
11. Dr. Abdul Rashid	Director	Employment Deptt.
12. Dr. M.I. Parray	Director	Entrepreneurship Dev. Institute.
13. Farooq Ahmad Lone	Director	Agriculture Deptt. Kashmir
14. Rajesh Khajuria	Director	Agriculture Deptt. Jammu
15. Shafiq Ahmad Raina	Director	Rural Dev. Deptt. Jammu
16. J. N. Sharma	Director	Horticulture Deptt. Jammu
17. Dr. G. H. Shah	Director	Horticulture Deptt. Kashmir
18. Chandra Gupta	Director	Handlooms Department
19. Muzaffar Hussain	Director	Handicrafts Department
20. Virinder Sharma	Director	MSMEs Dev. Institute, Jammu
21. Dr. Naheed Soz	Managing Director	J&K Women's Dev. Corporation
22. Riyaz Ahmad	Joint Director	Cooperative Deptt.
23. Shahzada Bilal Ahmad	Joint Director	Planning & Dev. Deptt.
24. Ajaz Ahmad Bhat	Joint Director	Industries & Commerce Deptt.
25. Sukhleen Kaur	Dy. Director	Social Welfare Dept. Jammu
26. Suresh Kumar Raina	Accounts Consultant	J&K State Financial Corporation
27. M. A. Raja	General Manager	SIDCO
28. Ravinder Singh	Secretary/ CEO,	J&K, KVIB
29. Md. Iftikhar Hussain	Dy.General Manager	J&K Development Finance Corporation
<b><u>Government of India</u></b>		
30. S. K. Jindal	Director, DFS	Gol, Ministry of Finance (Nodal Officer)
31. Sohan Kumar Jha	Add. Dev. Com.	O/O Dev. Com. Handlooms, Gol
32. Priti Kumar	Dy. Dev. Com.	O/O Dev. Com. Handlooms, Gol
<b><u>Reserve Bank Of India</u></b>		
33. K.K Saraf	Regional Director, J&K	RBI, R. O., Jammu
34. Ramesh Chand	Dy. General Manager	RBI, R. O., Jammu
35. Ravinder Kumar	A.G.M,	RBI, R. O., Jammu
36. Jhon V. Guria	Research Officer	RBI, R. O., Jammu
<b><u>NABARD</u></b>		
37. S. C. Rabra	CGM	NABARD, R. O. Jammu
38. Rohit Mishra	Dy.General Manager	NABARD, R.O. Jammu
39. Surinder Singh	AGM	NABARD R. O. Jammu

**Convenor Bank / J&K Bank)**

40. G.M. Sahibzada	Executive President	J&K Bank
41. O.P. Sharma	President	J&K Bank
42. Abdul Rouf Bhat	President	J&K Bank
43. Shafat A. Bandey	President	J&K Bank
44. M.S. Wani	Vice President	J&K Bank /J&K SLBC
45. R.K. Chiber	Vice President	J&K Bank
46. M.I. Wani	Vice President	J&K bank
47. Shujaat Hussain	Pr. Secy. to Chairman	J&K bank
48. Nazir Ahmad Bhat	SEM (A&AP)`	J&K bank

**SIDBI**

49. Shyama Nand Yadav	Manager I/C	SIDBI, Jammu
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**Public Sector Banks**

50. Ashok K. Gupta	Dy. General Manager	State Bank Of India
51. Ashok Gupta	Dy. General Manager	Punjab National Bank
52. V. N. Dhawan	Dy. General Manager	Bank of Baroda
53. Bikas Adhikari	Dy. General Manager	Canara Bank, C. O. Chandigarh
54. B. Akbaraly	Dy. General Manager	Central Bank Of India, Z.O. Chandigarh
55. B. B. Rattanpaul	Dy. General Manager	UCO Bank, Z.O. Jalandhar
56. S.S. Dhaliwal	AGM	Oriental Bank of Commerce, R.O. Amritsar
57. A.K. Bharti	AGM	Central Bank of India
58. A.K. Dulloo	Branch Manager	Bank Of Baroda
59. A.K. Mota	Chief Manager	Punjab National Bank
60. S.S Chib	CDO	Punjab National Bank
61. V.K. Sodhi	DGM	IDBI Bank, Z.O. New Delhi
62. D.K. Nayyar	SM,	Bank of India, Zonal office, Amritsar
63. Aatif Andrabi	AVP,	HDFC Bank

**Regional Rural Banks**

64. Raja Abdul Lateef	Chairman	J&K Grameen Bank
65. A.K Razdan	Chairman	Ellaquai Dehati Bank

**Cooperative Banks**

66. B. A. Lone	Managing Director	Baramulla Central Coop. Bank
67. Mohammad Ashraf	Managing Director	J&K State Cooperative Bank
68. G. C. Sharma	Dy. General Manager	Jammu Central Cooperative Bank
69. R. S. Slathia	AGM	Jammu Central Cooperative Bank
70. Mushtaq Ahmad Rather	Manager	Anantnag Central Cooperative Bank
71. Ashwani Kapoor	Representative	Citizen's Cooperative Bank

**Lead District Managers**

72. Tassaduq Mohammad	LDM	District Srinagar
73. Mohammad Yaqoub	LDM	District Budgam.
74. Masood Ahmad Khan	LDM	District Ganderbal
75. Muzaffar Hussain	LDM,	District Baramulla
76. Farooq Ahmad Gojwari	LDM	District Bandipora
77. Ghulam Hassan Wani	LDM	District Kupwara
78. Mufti Ghlum Mohammad	LDM	District Anantnag
79. G. M. Dar	LDM	District Kulgam
80. G. R. Kumar	LDM	District Pulwama
81. Gulzar Ahmad Zargar	LDM	District Poonch
82. Arvind Kapoor	LDM	District Rajouri
83. Sukhdev Singh	LDM	District Leh
84. Harcharan Singh	LDM	District Samba
85. Vijay Kumar Wali	LDM	District Kathua
86. Kishore Sadhatra	LDM	District Udhampur
87. I. B. Sharma	LDM	District Doda & Ramban

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