

SEGMENT-1 (REVISION)

**CONFIRMATION OF MINUTES OF
90^h MEETING OF J&K SLBC HELD ON 29th AUGUST 2013**

The minutes of 90th meeting of J&K SLBC held on 29th August 2013 at Srinagar to review the performance / achievements of the banks / financial institutions operating in the State as at the end of June 2013 were webcast on the website of J&K SLBC www.jkslbc.com and also circulated among the members vide J&K SLBC office reference No. LBD/SLBC-90/2013-176 dated September 14, 2013. The actionable points have been indicated to the concerned quarters for taking desired action.

Pursuant to NABARD, R.O. Jammu letter dated 20th September 2013 a corrigendum to the published minutes of 90th SLBC meeting was issued vide Ref. No. LBD/SLBC-90/2013 dated 30th October 2013, circulated among members and a copy whereof is enclosed for information of the members.

No further amendments to the said published minutes of meetings have been received from any quarter, so far.

The house is requested to confirm the said minutes.

Encl: (1)

**ROLLED OVER ACTIONABLE POINTS OF THE EARLIER SLBC MEETINGS
(FOLLOW UP OF OUTSTANDING ISSUES)**

1) Legislating SARFAESI Act:

Agenda Item/ Date of SLBC	Summary of decisions/ Action points.	Action taken / Status
<p>73 (b) 18.06.2008</p>	<p>Removal of legal glitches to enforce SARFAESI Act in J&K State</p>	<p>In the Special SLBC meeting held on 8th May 2013 at Srinagar, on the eve of visit of Hon'ble Governor, RBI to J&K State, the Hon'ble Chief Minister J&K State, emphasized upon the need for providing adequate comfort and protection to the lending institutions by way of necessary legislative backup against loan defaults. He observed that a discussion has taken place between State Government and the Union Finance Ministry for time-bound resolution of this concern. Necessary preparatory actions within the State Government are also nearing completion.</p> <p>Subsequently, in the 89th SLBC meeting held on 6th June 2013 the Hon'ble Finance Minister expressed optimism that the issue would be sorted out by the State Government very soon.</p> <p>In the 90th SLBC meeting held on 29.8.2013, the Principal Secretary (Finance) stated that there were certain issues and concerns, which are being resolved in consultation with the Revenue Department of the State. Reiterating the assurance of the Government, Principal Secretary (Finance) stated that the issue will be addressed in a time bound manner</p>

Government of J&K State to inform progress in this regard.

2) Plans for Corporate Social Responsibility of Banks:

Agenda Item/ Date of SLBC	Summary of decisions/ Action points.	Action taken / Status
<p>Special SLBC meeting dated 8.5.2013</p>	<p>In the Special SLBC meeting held on 8.5.2013 at Srinagar, the Hon'ble Chief Minister of J&K State pointed out that J&K Bank has taken up a number of projects under their Corporate Social Responsibility (CSR) commitment in the State. He desired that other banks operating in the State should follow the suit and chalk out their CSR plans by the time the next SLBC meeting is convened and present the same in the meeting. The plans should include proposals of skill development of people of the State, which will have a very positive impact over the general population of the State and will also reiterate commitment of these banks in the State as well.</p> <p>The issue again came for discussion in the 89th SLBC meeting held on 6.6.2013, wherein after threadbare discussions it was decided as under:</p> <ul style="list-style-type: none"> • All the Commercial Banks, except those having very small number of branches in J&K State, shall immediately prepare the CSR plans for J&K State for the Current Financial Year, <u>with focus on skill development activities</u>, and submit the same to Convenor, J&K SLBC forthwith. • Convenor, SLBC shall aggregate the said CSR plans and submit the consolidated CSR Plan of J&K State to Reserve Bank of India to comply with the directive of Governor, Reserve Bank of India. 	<p>The following 4 banks operating in J&K State have so far intimated their CSR Plans for J&K State for the current financial year, which are enclosed for information of the house:</p> <ol style="list-style-type: none"> 1. J&K Bank, 2. State Bank of India, 3. Punjab National Bank, and 4. HDFC Bank. <p>J&K Grameen Bank, the RRB sponsored by J&K Bank has informed that they have accumulated losses in their books and are unable to earmark any funds for CSR.</p> <p>State Bank of Patiala has conveyed that they have only 6 branches operating in the State, hence no CSR plans for the current financial year has been proposed.</p> <p>Oriental Bank of Commerce (having 16 branches in J&K) have conveyed that they have provided fans and water purifiers to various schools in J&K.</p>

Member banks to report progress in the matter

Encls: (1)

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

MEETING OF STATE LEVEL STEERING COMMITTEE FOR RSETIS IN J&K HELD ON 4TH OCTOBER 2013

In terms of Gol, MoRD guidelines dated 7.1.2009, the State Level Steering Committee (SLSC) for RSETIs in J&K State was constituted in the 76th meeting of J&K SLBC, to monitor the progress and review the performance of each of the RSETIs established in all the districts of J&K State, conduct evaluations of functioning of these RSETIs and discuss any other matter related to the functioning of RSETIs.

A meeting of the said State Level Steering Committee (SLSC) for RSETIs in J&K State was held on 4th October 2013 at J&K Bank, Corporate Headquarters, Srinagar. The meeting was co-chaired by Mr. F. A. Peer, Commissioner/Secretary to Government, Rural Development Department and Mr. O. P. Sharma, Executive President, J&K Bank (Convenor Bank).

Minutes of the said meeting have been circulated vide Ref. No. LBD/SLBC/SLSC-RSETIs/2013- 221 dated October 19, 2013.

A copy of the same is enclosed for information of the members.

2) Moreover, in terms of instructions conveyed by the Monitoring Cell for RSETIs, Gol, MoRD, Bangalore, vide their letter No. 465/MC-NAR/2013-14/F-120/R dated June 17, 2013, and subsequently by Govt. of J&K, Rural Development Department, vide their letter No. RD/PC/48/2009-10-II dated 25.07.2013, the **State Project Coordinator RSETIs for J&K State** has been included as a member of the said State Level Steering Committee (SLSC) RSETIs and the revised composition of the SLSC has been circulated vide Ref. No: LBD/SLBC/SLSC-RSETIs/2013-200 dated: 25.9.2013, copy enclosed for information of the members. Action Taken Report from the concerned is awaited & members are requested to apprise the forum about the action taken in this regard.

House is requested to confirm the same

Encls: (4)

SEGMENT – 2 (FINANCIAL INCLUSION / THRUST AREAS)**AGENDA ITEM NO: 91.01****FINANCIAL INCLUSION PLAN (FIP) OF J&K STATE:**

- (I) **'Swabhimaan Campaign' for coverage of villages with population > 2000**
 (II) **Provision of banking services to villages with population below 2000**

FIP Phase-I

In the phase-I of Financial Inclusion Plan (FIP) of J&K State, 795 identified unbanked villages (having population over 2000) were allocated among 5 major banks for providing banking services through various ICT-based banking outlets in terms of RBI Circular No. RBI/2009-10/233 dated 27.11.2009 and circular No. RBI/2010-11 dated 16.9.2010. On reviewing the progress in the 90th SLBC meeting held on 29th August, 2013 it was taken on record that coverage of 789 unbanked villages had been completed thereby leaving only 6 residual villages uncovered by J&K Bank due to lack of connectivity and other infrastructure deficiency to access these locations.

Progress achieved in the matter as at the end of September 2013 is given below:

S. No	Name of Bank to which allocated	Target		Progress		No. of villages yet to be covered
		Number of Villages allocated by J&K SLBC	No. of house-holds to be covered (Target)	No. of villages covered upto 30 th Sept. 2013	No. of F.I. A/cs opened upto 30 th Sept., 2013	
1	The J&K Bank	536	347237	530	265085	6
2	SBI	95	42750	95	36604	...
3	PNB	34	22436	34	10455	...
4	JKGB	95	34288	95	49274	...
5	EDB	35	17286	35	25133	...
	TOTAL	795	463997	789	341522	6

The names of 6 uncovered villages are (1)Forest Block Baramulla (2)Yoordu Kishtwar(3)Rinaie Kishtwar(4)Qadera Kishtwar(5)Chanjer Kishtwar and(6)Deharna Kishtwar

State Government may convey the progress in creating requisite infrastructure for providing ICT based financial services in the remaining above mentioned 6 unbanked villages with population above 2000 as per census of 2001

(ii) FIP Phase-II

In the phase-II of Financial Inclusion Plan (FIP), in compliance with Reserve Bank of India guidelines conveyed vide Circular RBI/2011-12/606 dated June 19, 2012; a total of 5582

villages (having population less than 2000) were identified in J&K State, which were allocated among the same 5 participating banks, with the objective to provide a bank account to every household throughout the State for facilitating transfer of all Govt. benefits including MGNREGA and various other cash benefits to the accounts of the beneficiaries directly.

The brief summary of bank-wise/ year-wise Roadmap for coverage of these allocated 5582 villages alongwith progress achieved by concerned banks upto the end of September 2013 is given below for information of the house:

S. No.	Name of the Bank to which allocated	Total No. of villages allocated	Target/ Plan for coverage of villages				Progress achieved as on 31 st March 2013	Q1 Ach.	Q2 Ach.	Total Progress upto on 30 th Sept., 2013
			31 st Mar. 2013	31 st Mar. 2014	31 st Mar. 2015	Beyond March 2015				
1	J&K Bank	3271	1103	497	800	871	987	206	295	1488
2	SBI	753	111	196	215	231	94	75	18	187
3	PNB	294	6	137	81	70	2	13	58	73
4	JKGB	1026	54	350	329	293	65	113	54	232
5	EDB	238	40	79	79	40	40	11	64	115
	TOTAL	5582	1314	1259	1504	1505	1188	418	489	2095

Banks have a **total target of (1314+1259) = 2573** villages to be accomplished by the end of **March 2014**, against which concerned banks have already **covered 2095 villages upto the end of September, 2013, which is 81% of the target**. The detailed district-wise/ bank-wise progress as on 30.9.2013 is given in [Annexure-A](#).

In the meeting of Steering Sub-Committee of SLBC to monitor IT-enabled Financial Inclusion, FLCs & Credit Plus Activities, taken by the Regional Director, RBI on 24.7.2013, it was decided that **“in order to ensure that banked villages do not figure in the list, all participating banks of FIP, viz. J&K Bank, SBI, PNB, JKGB and EDB shall start the exercise of re-verifying their respective allocated villages to find out if any bank branches are already operating in any of these allocated villages. Details of all such villages was to be immediately reported to Convenor SLBC, so that these villages are deleted from the list of identified 5582 villages”**.

Accordingly, all participating banks of FIP viz. J&K Bank, State Bank of India, Punjab National Bank, J&K Grameen Bank and Ellaquai Dehati Bank have submitted list of 82 villages (JKB 58 Villages, SBI 10 villages, PNB 9 villages, J&KGB 3 villages and EDB 2 villages) which are banked but have inadvertently been included in the list of 5582 unbanked below 2000 population villages. It is proposed that we may delete these 82 villages from the list of 5582 unbanked villages. The number of unbanked villages with population less than 2000 as per 2001 census will accordingly come down to 5500.

House is requested to deliberate the issue.

Encls: (1)

AGENDA ITEM NO: 91.02

Implementation of Electronic Benefit Transfer (EBT) Scheme in J&K State:

Strategy and guidelines on Financial Inclusion issued by Gol, MoF, DFS vide Circular dated 21.10.2011 requires that benefits and subsidies under various Government Schemes must be transferred electronically into the accounts of the beneficiaries and such basic banking accounts be opened by banks under Financial Inclusion to facilitate direct transfer of such benefits and subsidies.

In order to work out modalities with regard to implementation of Electronic Benefit Transfer (EBT) Scheme and its convergence with Financial Inclusion Plan (FIP), the Government of J&K formed a Committee headed by Principal Secretary Finance. Consequent upon decisions taken in the maiden meeting of the said Committee on 25th April 2013 the Government of J&K has conveyed as under:

- **Finance Department, J&K Govt. to be the umbrella department**, instead of Information Technology Deptt., to coordinate, oversee and facilitate the roll out of EBT in the State on a fast track basis. **The concerned Administrative Department I/C of the Economic Growth oriented/ other Social Security Benefit Schemes to be the Nodal Departments.**
- **J&K Bank to be the Leader Bank in all the 22 districts of the State** (Earlier decision modified as conveyed by Finance Department J&K Government vide letter dated 22.07.2013)
- Nodal Departments to open savings accounts in their name in the bank branches of Leader Banks and other Participating Banks at the district headquarters for electronic transfer of beneficiaries' entitlements into the savings accounts by the Treasury Bank of the State Government at the District level for, in turn, electronic transfer of the benefit to the beneficiaries' accounts opened in various bank branches in the district.
- Nodal Department to send instructions to Leader Bank in each district together with Government entitlements to each beneficiary in electronic form.
- State IT Department to take responsibility of building a comprehensive architecture for sustainable and robust Government entitlements disbursement mechanism across the State through J&K Bank for ensuring transfer of money electronically into the savings accounts opened by the concerned Nodal Department I/C of the economic growth oriented / other social security Benefit Schemes, with the Leader Bank through the concerned District Treasury Bank route.
- EBT to be rolled out in a phased manner with 6 districts of Ganderbal, Jammu, Kargil, Leh, Rajouri and Srinagar to be covered in the first phase on pilot basis, for which the target date is 31st July, 2013. This is as per the decision taken in Special SLBC meeting held on 08.05.2013 at SKICC, Srinagar;
- The EBT roll out to be under the twin approach, both district and multi-schemes oriented rather than district and one scheme specific like NREGS of Rural Development Department or NOAPS of Social Welfare Department.

- **MoU to be signed between Finance Department and the Leader Bank, as per the mutually agreed format for the hassle-free implementation of EBT Scheme.**
- Mr. Ravi Magotra, Chief Financial Consultant in the Finance Department, J&K Government to henceforth look after the issue and work out basic modalities regarding implementation of EBT and Financial Inclusion.

Meeting on EBT/DBT held on 24.6.2013 at Civil Secretariat, Srinagar

The high level team comprising of senior officers from the GoI, MoF lead by Additional Secretary (FS), Department of Financial Services, National Payment Corporation of India (NCPI), Office of Controller General of Accounts etc. visited State in June, 2013 and took a meeting of all stakeholders regarding implementation of DBT/ EBT in J&K State at Civil Secretariat, Srinagar, wherein the issue was thoroughly discussed and a number of decisions were taken. Minutes of the said meeting have been circulated by the Govt. of J&K vide Ref. No. CFC/FD/2013-14/21 dated 28.06.2013 for desired action by all concerned. Gist of decisions taken in the said meeting is enclosed for information of the members.

While reporting progress under the scheme the Leader Bank has informed as under:

1. Lead District Officers and Cluster Heads are working as Nodal Officers as well as Supervisors in Lead & Non-Lead districts of the bank respectively.
2. All Nodal Officers have been advised to furnish bio-data of the designated officers of the other banks operating in their respective districts for creation of user-ID for providing access on bank's SFTP server for uploading & downloading data.
3. Instructions have been issued to concerned quarters for completion of account opening process as per the scheme.
4. Data feeding of Social Welfare beneficiaries of different districts on SFTP server is in progress.
5. MoU between Finance Department, J&K Government and J&K Bank was signed on 26th November 2013, as per the mutually agreed format for the hassle-free implementation of EBT Scheme. Pursuant to a substantive decision taken in this behalf at Special meeting of SLBC at Srinagar on May 8 2013, which was presided by the Hon'ble Governor RBI with Hon'ble Chief Minister, J&K State as Chief Guest, the EBT/DBT Scheme in the first phase will be launched in six pilot districts of the State namely Srinagar, Ganderbal, Jammu, Rajouri, Kargil and

Leh and beneficiaries of IGNOAPS-an old age pension scheme shall be covered under the scheme during the phase first.

The IT Department, J&K Govt. may inform progress regarding:

Building a comprehensive architecture for Government entitlements disbursement through the concerned District Treasury Bank route for ensuring transfer of moneys electronically into the savings accounts opened by the concerned Nodal Departments with the Leader Bank.

Acquiring of digitized database of EBT beneficiaries from the concerned Nodal Department of State Govt. and delivering the same to concerned Banks for ensuring opening of their bank accounts for EBT.

House may deliberate the issue

Encl: 1

AGENDA ITEM NO: 91.03

100% coverage of farmers in J&K State under Kissan Credit Card (KCC)

Scheme:

In the 90th meeting of J&K SLBC held on 29th August, 2013, the representative of Agriculture Production Department had informed that as per the door-to-door survey conducted by the Agriculture Production Department, there are only 11.75 lakh farm operating families in the J&K State, out of whom 1.67 lakh farmer families have not opted for acquiring the KCCs, thus there are only 10.09 lakh farmer families in the State who are interested to have the KCCs. He, therefore, requested the house to consider the 10.09 lakh as the target for 100% coverage of farmers under KCC Scheme in the State. Accordingly, the Chief Secretary, J&K Government stressed the need to concentrate on achieving the 100% coverage of 10.09 lakh farm-operating families of the State who are interested to acquire the KCC and 31st March, 2014 was prescribed as the final timeline for all the stakeholders, viz. Banks, Agriculture Department, Revenue Department and Lead District Managers to ensure 100% coverage.

Progress achieved in 100% coverage of farmers under KCC (as per reports received from banks):

Upto the end of **September 2013**, banks have sanctioned a total number of 7,25,111 KCCs in J&K State, against which 5,31,589 KCCs have been disbursed credit amounting to Rs.2,460.28 Crore. This includes 5,84,213 KCC cases sponsored by Agriculture Department, J&K Govt. to various banks operating in the State and 2,60,290 KCC cases taken up by the banks directly. As per the data received 88,647 cases have been rejected while 30,745 cases are pending with banks. **Total No. of KCC cases sanctioned works out to an achievement of about 72% of the target of 10.09 lakh farm-operating families in the State.**

Out of the total KCCs sanctioned by banks, 48.82% has been contributed by J&K Bank alone having sanctioned 3,53,986 KCCs. Other major players include JKGB with 1,25,848 KCCs, SBI with 61,049 KCCs, EDB with 57,252 KCCs & PNB with 42,159 KCCs.

The detailed bank-wise progress is given in [Annexure- B](#)

The achievement cannot be considered as satisfactory keeping in view the 31st March 2014 deadline for accomplishment of 100% coverage of farmers under KCC Scheme.

Agriculture Production Deptt., J&K Govt. may put forth the reasons for low sponsorship of KCC cases to banks.

Meeting to review the Kissan Credit Card Scheme held on 21.10.2013 at Civil Secretariat, Srinagar:

The meeting to review the Kissan Credit Card Scheme was held on 21-10-2013 under the Chairmanship of Commissioner/ Secretary to Government, Agriculture Production Department at Civil Secretariat, Srinagar, wherein the issue was thoroughly discussed and a number of decisions were taken. Minutes of the said meeting have been circulated by the Agriculture Production Department, Govt. of J&K vide Ref. No. Agri/PC-100/2009-10/Part-II dated 12.11.2013 for desired action by all concerned. Gist of decisions taken in the said meeting is enclosed for information of the members.

Among other things deliberated in the said meeting, it has been decided to **include eligible Sericulture Farm Operating Families in KCC ambit** and Commissioner/ Secretary. Agriculture Production Department emphasized that **Sericulture Development Department, J&K to sponsor cases of eligible Sericulture Farm Operating Families to banks for issuance of KCC Cards.**

A suitable need based credit (lending) scheme is therefore proposed to be framed by Sericulture Department in consultation with NABARD and the Banks.

The concerned department of J&K Government and NABARD may like to comment.

House is requested to deliberate the issue

Encls:1

AGENDA ITEM NO: 91.04

Branch Expansion Plans of Banks in J&K State:

In terms of the decision taken in the 89th meeting of J&K SLBC held on 6th June 2013 all the banks operating in J&K State were advised to submit fresh Branch Expansion Plans for J&K State for FY 2013-14 to Convenor, J&K SLBC, to be accomplished by the end of Current Financial Year. The banks were also directed to ensure that the backlog from the previous Branch Expansion Plan should be cleared by September 2013.

Branch Expansion Plan for FY 2013-14

Details of Branch Expansion Plans for the FY 2013-14 submitted by banks are as under:

S. No.	Name of the Bank	Total Back-log	Fresh BEP for FY 2013-14	Total BEP for FY 2013-14	Out of Col. 4, No. of branches to be opened in unbanked villages having population <10000		Progress/ (No. of branches opened upto 30.9.2013) out of Col. No. (4)	Branches opened in unbanked villages having population <10000
					No.	%age		
	(1)	(2)	(3)	(4)	(5)		(6)	(7)
					No.	%age		No. / %age
1	J&K Bank	57	54	131	55	42%	62	25 (40%)
2	State Bank of India	...	21	21	10	50%	0	0
3	Punjab National Bank	3	5	8	2	25%	4	2 (50%)
4	J&K Grameen Bank	11	17	28	6	21%	2	1 (50%)
5	Ellaquai Dehati Bank	8	15	23	8	35%	4	1 (25%)
6	HDFC Bank	...	10	10	7	70%	3	2 (66%)
7	Andhra Bank	...	1	1	0	0
8	Anantnag C. Coop. Bank	...	2	2	1	50%	0	0
	TOTAL	79	125	224	90	40%	75	31 (41%)

Detailed Branch Expansion Plan alongwith progress achieved as on 30.09.2013 is given in [Annexure- C](#) for information of the house.

House is requested to deliberate the issue

AGENDA ITEM NO: 91.05

Financial Literacy Centres (FLCs) – Guidelines:

RBI, C.O. Mumbai, vide Circular No. RBI/2011-12/590 dated June 6, 2012 has modified the earlier Model Scheme for FLCCs issued vide RBI/2008-09/371 dated February 4, 2009. The fresh guidelines envisage as under:

- While the existing FLCCs would continue to function with a renewed focus on financial literacy, lead banks are advised to set up FLCs in each of the LDM offices in a time bound manner.
- In addition banks may consider setting up need based FLCs in other locations as well.
- Further the financial literacy activities will also be undertaken by all the rural branches of Scheduled Commercial Banks;

Progress achieved in setting up of FLCs in the districts:

J&K Bank has already operationalized FLCs in all the 12 allocated districts. Similarly, SBI has operationalized FLCs in all its allocated 10 allocated districts.

- A total of 3243 persons have been provided indoor services in 22 FLCs during the Quarter under review.
- J&K Bank has provided indoor services to 2512 persons.
- State Bank of India has provided indoor services to 731 persons.
- In 214 awareness camps a total of 15,936 persons participated during Q2 under review.
- J&K Bank organized 158 awareness camps in which 13,980 persons participated.
- SBI organized 56 awareness camps in which 1956 persons participated.

The district-wise position of FLCs indicating number of beneficiaries is given in [Annexure- D](#).

FLC initiative by rural branches of banks

In the 89th meeting of J&K SLBC held on 6th June 2013 all the banks having rural branches operating in the State were advised to ensure that their rural branches hold at least one financial literacy programme every month in terms of RBI guidelines and submit the same to Convenor Bank for being placed in the SLBC meetings for review henceforth. Besides, all the Lead District Managers were advised to collect the data

regarding financial literacy activities undertaken by the rural branches of banks operating in the their Districts and submit the same for review in SLBC meetings.

However, the progress has not been satisfactory, as only a few banks viz. J&K Bank, SBI, PNB, EDB & JKGB have submitted progress in this regard to the Convenor Bank so far.

- A total of 436 Financial Literacy camps have been conducted by the branches of 5 major participating banks in which 18,702 persons were benefitted.
- J&K Bank has conducted 249 FL camps benefitting 9881 persons.
- SBI has conducted 122 FL camps benefitting 4633 persons.

The Bank-wise/ district-wise consolidated position whereof is given in [Annexure-D1](#).

Banks/ Lead District Managers may inform progress in the matter

House is requested to deliberate.

AGENDA ITEM NO: 91.06

- 1. Setting up of Rural Self-Employment Training Institutes (RSETIs) -**
- 2. Allotment of land by State Govt. for creating permanent infrastructure for the RSETIs:**

In terms of GoI, MoRD guidelines issued vide No. I.12011/19/2008-SGSY(C) dated 07.01.2009, the responsibility of setting up RSETIs in all the districts of J&K State was assigned by J&K SLBC to the two lead banks, viz. J&K Bank in 12 districts and SBI in 10 districts.

Progress achieved as on 31.3.2013

J&K Bank has operationalized RSETIs in its all the 12 allocated districts, viz. Srinagar, Ganderbal, Budgam, Baramulla, Bandipora, Kupwara, Anantnag, Kulgam, Pulwama, Shopian, Rajouri and Poonch. Similarly, SBI has operationalized RSETIs in all of its 10 allocated districts, viz. Jammu, Samba, Udhampur, Reasi, Kathua, Doda, Ramban, Kishtwar, Leh and Kargil.

District-wise details of RSETIs are given in [Annexure-E](#).

Performance of RSETIs in J&K State:

S.No	Name of Sponsoring Bank	Districts assigned for setting up RSETIs	No. of RSETIs set up in J&K State	Total No. of persons trained during 2012-13	Q1 Ach.	Q2 Ach.	Total No. of persons trained during H1 of CFY (2013-14)
1	J&K Bank	12	12	2349	618	1063	1681
2	State Bank of India	10	10	1705	422	331	0753
	TOTAL	22	22	4054	1040	1394	2434

ii) Status regarding allotment of land by State Government

Status of land to J&K Bank RSETIs

S.No.	District	Latest Position
1	Anantnag	No piece of land has been identified as yet by District Administration. As reported by the Director of the RSETI he is pursuing the matter vigorously.
2	Bandipora	Possession of land taken.
3	Baramulla	Land has been identified at Kanispora, Baramulla by District Administration. Formal allotment of land awaited.
4	Budgam	Land measuring 10 Kanals has been identified at Soibugh. Formal allotment awaited.

5	Ganderbal	Land has been identified at Pandach by District Administration. Formal transfer of land awaited.
6	Kulgam	Land measuring 6 Kanals identified at Chawalgam, Kulgam. Possession taken. Formal allotment of land awaited.
7	Kupwara	Land has been identified by District Administration at Gulgam, Kupwara. Formal allotment of land awaited.
8	Pulwama	Land measuring 8 Kanals at Quil, Pulwama identified by District Administration. Formal allotment of land awaited.
9	Poonch	Land has been identified at Panchayat, Jhullass by District Administration. Formal allotment of land awaited.
10	Rajouri	Land identified at Kallar, Rajouri measuring 7 Kanals. Formal allotment of land awaited.
11	Shopian	Land identified by District Administration at Ballpure, Sermal near Army School. Formal allotment of land awaited.
12	Srinagar	No land has been identified so far. However, District Administration has assured to identify the same shortly.

Status of land to SBI RSETIs

S.No.	District	Latest Position
1	Doda	District Administration has informed that due to paucity of land, only 2 Kanals will be made available for setting up of RSETI at Doda.
2	Jammu	Land measuring 10 Kanals already identified at village Jandial and process has been initiated for placing an indent for transfer of State Government land for establishing RSETI Jammu.
3	Kathua	Land has been identified, which belongs to Irrigation Department. Executive Engineer, Kathua recommended the case through SE Kathua to Chief Engineer, Irrigation & PHE. The file has been sent to Comm. Secy. for further necessary action.
4	Kargil	District administration has sanctioned land measuring 10 kanals at Kumbathang, Kargil on 30.11.2011 and subsequently transferred same to Air Force for establishment of Air Base in Kargil. However, the matter is being brought into the notice of District administration in DLRC meeting for consideration and necessary action.
5	Kishtwar	Land has been identified. However the consent of the DDC, Kishtwar is to be provided. DDC has instructed AC revenue for further necessary action in this regard.

6	Leh	Land identified. District administration has proposed a piece of land measuring 6 Kanals in village Saboo and yet under process.
7	Ramban	Land not identified. District administration has informed that due to Roshini Act there is no vacant land available for allotment to RSETI at Ramban.
8	Reasi	Land identified. DDC Reasi has instructed for issuing NDC and handing over possession to RSETI.
9	Samba	Land measuring 10 Kanal identified for RSETI and documents submitted to Div. Commissioner, Jammu for further necessary action.
10	Udhampur	Land measuring 20 Kanals offered by Govt. at village Roun adjoining Dhar Road, Udhampur was under process for taking over of possession. But due to some dispute of land and being far away from Udhampur an alternate site is under consideration of district administration for allotment.

Govt. of J&K to inform progress regarding allotment of land to all other RSETIs in the State.

House may deliberate the issue

SEGMENT – 3 (PERFORMANCE REVIEW OF BANKING SECTOR)

AGENDA ITEM NO: 91.07

Bank-wise/ Sector-wise/ Region-wise achievements in lending to Priority Sector/ Non-priority Sector under Annual Credit Plan 2013-14 as at end of September 2013.

Reserve Bank of India vide Circular No.RBI/2012-13/450 dated March 19, 2013 regarding strengthening of Monitoring Information System (MIS), has revised the reporting system in respect of bank lending to Priority Sector & Non-priority sector. The 'Micro Credit' Sector existing under the Priority Sector has been abolished and in its place 'Other' Sector has been introduced under Priority as well as Non-Priority Sector. Besides, Education and Housing Sectors are appearing under both Priority as well as Non-priority Sector with specified ceiling.

In this regard the Lead Banks/ SLBC Convenor Banks have been advised to prepare the statements LBS-MIS-I, II and III as per revised formats starting from the FY 2013-14 and also place the said revised statements in the SLBC meetings for review.

Accordingly, the Annual Credit Plan for FY 2013-14 has been prepared as per the said revised formats and as such, for reviewing the performance of banks vis-à-vis commitments for lending under Annual Credit Plan 2013-14 the revised data reporting formats have been included in the agenda as [Annexure-F](#), [Annexure-G](#), [Annexure-H](#) & [Annexure-I](#) for information of the members.

It is evident from the figures as shown in the Annexures that by the end of September 2013 **banks have extended total credit of Rs.5607.49 Crore in favour of 2,36,354 beneficiaries** (both under Priority as well as Non-priority Sector) against a **target of Rs.16,322.69 Crore for 7,81,234 beneficiaries** under Annual Credit Plan 2013-14, thereby registering achievement of **34.35%** in financial terms and **30%** in physical terms.

This includes Priority Sector credit of Rs.3,250.72 Crore disbursed by banks in favour of 1,79,517 beneficiaries against the target of Rs.10,142.46 Crore for 6,13,489 beneficiaries (32% achievement) and Non-priority sector credit of Rs.2,356.77 Crore in favour of 56,837 beneficiaries against the target of Rs.6,180.22 Crore for 1,67,745 beneficiaries (38% achievement).

The comparison of the achievement of banks vis-à-vis their respective annual targets at the end of H1 of FY 2013-14 with H1 of PY 2012-13 (YoY) is given hereunder:

Disbursement of credit to Priority Sector

(Amount in Crore)

Name of Bank	FY 2012-13			FY 2013-14		
	Target Annual)	Achievement (30.09.2012)	%age of Achiev.	Target (Annual)	Achievement (30.09.2013)	%age of Achiev.
J&K Bank	3123.22	1566.31	50	5891.03	2305.98	39
SBI	641.35	243.40	38	1026.90	323.42	31
PNB	433.93	146.66	34	642.17	104.36	16
Other Com. Banks	602.44	173.90	29	827.78	189.46	23
Coop. Banks	499.08	109.84	22	496.45	117.43	24
RRBs	792.13	162.57	21	1254.33	209.36	17
Other FIs	2.35	0.40	17	3.80	0.69	18
TOTAL	6094.50	2403.08	39	10142.46	3250.72	32

Disbursement of credit to Non-Priority Sector

(Amount in Crore)

Name of Bank	FY 2012-13			FY 2013-14		
	Target Annual)	Achievement (30.09.2012)	%age of Achiev.	Target (Annual)	Achievement (30.09.2013)	%age of Achiev.
J&K Bank	1361.87	977.34	72	3643.76	1766.83	48
SBI	359.26	108.70	30	781.87	189.05	24
PNB	271.88	37.53	14	262.30	36.27	14
Other Com. Banks	390.72	193.94	50	1141.17	245.72	22
Coop. Banks	224.19	21.72	10	127.35	28.05	22
RRBs	292.45	52.71	18	223.77	90.84	41
Other FIs	0	0	0	0	0	0
TOTAL	2900.37	1391.94	48	6180.22	2356.77	38

Consolidated achievement (Priority Sector + Non-Priority Sector)

(Amount in Crore)

Name of Bank	FY 2012-13			FY 2013-14		
	Target (Annual)	Achievement (30.09.2012)	%age of Achiev.	Target (Annual)	Achievement (30.09.2013)	%age of Achiev.
J&K Bank	4485.09	2543.65	57	9534.79	4072.81	43
SBI	1000.61	352.10	35	1808.77	512.48	28
PNB	705.81	184.19	26	904.48	140.62	16
Other Com. Banks	993.16	367.84	37	1968.95	435.19	22
Coop. Banks	723.27	131.56	18	623.80	145.49	23
RRBs	1084.58	215.28	20	1478.09	300.21	20
Other FIs	2.35	0.40	17	3.80	0.69	18
TOTAL	8994.87	3795.02	42	16322.68	5607.49	34

SECTOR-WISE ANALYSIS OF PRIORITY SECTOR CREDIT:

I) AGRICULTURE SECTOR:

Against the annual target of Rs.3,212.98 Crore for 3,91,773 beneficiaries, banks have disbursed a total amount of Rs.1,094.73 Crore in favour of 93,746 beneficiaries under Agriculture Sector by the end of September 2013 thereby registering an achievement of 34% in financial terms and 24% in physical terms.

Out of this, an amount of Rs.604.80 Crore in favour of 64,693 agriculturists has been disbursed under Crop Loan against the target of Rs.1899.18 Crore favouring 2,86,174 beneficiaries, thereby registering achievement of 32% in financial & 23% in physical terms.

Major contributors under Agriculture Sector are; J&K Bank (Rs.800.88 Crore i.e. 73% vis-à-vis total disbursements), J&K Grameen Bank (Rs.70.39 Crore), SBI (Rs.53.62 Crore), Punjab National Bank (Rs.43.48 Crore) and EDB (Rs.39.89 Crore).

(II) MICRO & SMALL ENTERPRISES SECTOR:

As against the annual target of **Rs.3,572.86 Crore** for **1,34,362 beneficiaries**, banks have disbursed an amount of **Rs.1129.66 Crore** in favour of **43,317 beneficiaries** by the end of September 2013, thereby registering an achievement of **32%** of the target in financial as well as physical terms.

Major contributors are: J&K Bank (Rs.642.97 Crore i.e. 57% vis-à-vis total disbursements), SBI (Rs.184.27 Crore), PNB (Rs.44.49 Crore) and J&K Grameen Bank (56.72 Crore).

(III) EDUCATION:

As against the annual target of **Rs.417.53 Crore** in favour of **10,916 beneficiaries** banks have disbursed total amount of **Rs.53.46 Crore** in favour of **3335 beneficiaries** by the end of September 2013. This works out to just **13%** achievement in financial terms and **31%** in physical terms.

Major contributors are: J&K Bank (Rs.36.22 Crore i.e. 68% vis-à-vis total disbursements), SBI (Rs.7.07 Crore) & PNB (Rs.4.92 Crore).

(IV) HOUSING:

As against the annual target of **Rs.2,040.33 Crore** in favour of **33,124 beneficiaries** banks have disbursed total amount of **Rs.655.21 Crore** in favour of **24,947 beneficiaries** by the end of September 2013. This works out to an achievement of **32%** in financial terms and **75%** in physical terms.

Major contributors are: J&K Bank (Rs.583.51 Crore i.e. 89% vis-à-vis total disbursements), SBI (Rs.35.39 Crore) and PNB (Rs.6.50 Crore).

(V) OTHER SECTOR

As against the annual target of **Rs.898.77 Crore** in favour of **43,314 beneficiaries** banks have disbursed total amount of **Rs.317.66 Crore** in favour of **14,172 beneficiaries** by the end of September 2013. This works out to **35% achievement** in financial terms and 33% in physical terms.

Major contributors are: J&K Bank (Rs.242.39 Crore i.e. 76% vis-à-vis total disbursements), SBI (Rs.43.08 Crore) and PNB (Rs.4.98 Crore).

SECTOR-WISE ANALYSIS OF NON-PRIORITY SECTOR CREDIT:

I) HEAVY INDUSTRIES SECTOR:

Against the annual target of **Rs.829.60 Crore** for 2,639 beneficiaries, banks have disbursed a total amount of **Rs.256.73 Crore** in favour of 85 beneficiaries under Heavy Industries Sector by the end of September 2013 thereby registering an achievement of **31%** in financial terms and 3% in physical terms.

The J&K Bank is the sole contributor under this sector (100% lending).

II) MEDIUM INDUSTRIES SECTOR:

Against the annual target of **Rs.566.28 Crore** for **11,516 beneficiaries**, banks have disbursed a total amount of **Rs.49.25 Crore** in favour of **715 beneficiaries** under Medium Industries Sector by the end of September 2013 thereby registering an achievement of 9% in financial terms and 6% in physical terms. **Out of total disbursement of Rs.49.25 Crore, the contribution of J&K Bank alone is to the tune of Rs.46.66 Crore, which constitutes 95% achievement.**

Major contributors are: J&K Bank (Rs.46.66 Crore), SBI (Rs.1.54 Crore) & HDFC Bank (Rs.0.88 Crore).

(III) EDUCATION:

As against the annual target of **Rs.310.64 Crore** in favour of **2912 beneficiaries** banks have disbursed total amount of **Rs.5.44 Crore** in favour of **78 beneficiaries** by the end of September 2013. This works out to a meager achievement of 2% in financial terms and 3% in physical terms.

Major contributors are: J&K Bank (Rs.2.47 Crore i.e. 45% vis-à-vis total disbursements) & OBC (Rs.2.25 Crore i.e. 41% vis-à-vis total disbursements).

(IV) HOUSING:

As against the annual target of **Rs.858.93 Crore** in favour of **4355 beneficiaries** banks have disbursed total amount of **Rs.47.16 Crore** in favour of **1017 beneficiaries** by the end of September 2013. This works out to an achievement of 5% in financial terms and 23% in physical terms.

Major contributors are: J&K Bank (Rs.30.19 Crore i.e. 64% vis-à-vis total disbursements), P&S Bank (Rs.9.70 Crore i.e. 21% vis-à-vis total disbursements) and SBI (Rs.5.31 Crore).

(V) OTHER SECTOR

As against the annual target of **Rs.3,614.78 Crore** in favour of **1,46,323 beneficiaries** banks have disbursed total amount of **Rs.1998.19 Crore** in favour of **54942 beneficiaries** by the end of September 2013. This works out to **55%** achievement in financial and 38% in physical terms.

Major contributors are: J&K Bank (Rs.1430.78 Crore i.e. 72% vis-à-vis total disbursements), SBI (Rs.181.58 Crore), HDFC (Rs.106.07 Crore), J&K Grameen Bank (Rs.70.97 Crore) and Bank of India (Rs.51.69 Crore).

(3) REGION-WISE / SECTOR-WISE POSITION:

The Region-wise/ Sector-wise achievements as at the end of September 2013 vis-à-vis commitments for lending to priority sector under Annual Credit Plan 2013-14 are summarized below:

(Amount in Crore)				
Region	Sector	Targets	Achievements	Achievement %
Kashmir	Priority Sector	5454.57	2077.48	38
	Non-Priority Sector	2796.37	1210.35	43
	Total	8250.94	3287.83	40
Jammu	Priority Sector	4506.86	1105.50	25
	Non-Priority Sector	3184.03	1097.78	34
	Total	7690.89	2203.28	29
Ladakh	Priority Sector	181.03	67.74	37
	Non-Priority Sector	199.82	48.64	24
	Total	380.85	116.38	31
TOTAL		16322.68	5607.49	34

- ⇒ **Kashmir region has received a total credit of Rs.3287.83 Crore against target of Rs.8250.94 Crores, registering achievement of 40% as on 30.09.2013.**
- ⇒ **In the Jammu region an amount of Rs.2203.28 Crore has been disbursed upto 30.09.2013 against the target of Rs.7690.89 Crore (29% achievement)**

⇒ **In the Ladakh region an amount of Rs.116.38 Crore has been disbursed by the end of September 2013 against the target of Rs.380.85 Crore (31%)**

The Region-wise/ District-wise/ Sector-wise achievements as at the end of September 2013 vis-à-vis commitments for lending to priority sector as well as Non-priority sector under Annual Credit Plan 2013-14 are given as [Annexure-J](#).

The RBI prescribed statement 'LBS-MIS-III indicating Targets & Achievements is placed as [Annexure-K](#) for information of the members.

The forum is requested to discuss the issue in the light of the data furnished

AGENDA ITEM NO: 91.08

CREDIT UNDER GOVERNMENT SPONSORED SCHEMES

Region-wise / District-wise / Scheme-wise and Bank-wise performance of various Banks under Government Sponsored Schemes upto 30th September 2013:

Against the Annual Action Plan 2013-14 target of **Rs.472.81 Crore** for **30,090 beneficiaries** for all banks operating in the State, the achievement of banks at the end of Sept, 2013 under five major Government Sponsored Schemes, viz. NRLM (SGSY), PMEGP, SJSRY, JKSES and SC/ST/OBC is of the order of **Rs.82.63 Crore** spread over **4503 beneficiaries** in all the three regions of the State thereby registering a performance of 17% of the target in financial and 15% in physical terms. The performance details under GSS are given in [Annexure-L](#) & [Annexure-M](#)

1) REGION-WISE ANALYSIS OF ACHIEVEMENTS

i) KASHMIR REGION:

Banks have disbursed a total amount of **Rs.52.73 Crore** to **2825 beneficiaries** for H1of FY 2013-14 under these five major Government Sponsored Schemes against the annual target of **Rs.348.00 Crore** for **19,451 beneficiaries**, thereby achieving 15% in both financial and physical terms against the achievement at Rs.51.19 Crore to 3,289 beneficiaries (being 18% in financial & 19% in physical terms) for the corresponding period of the previous year.

ii) JAMMU REGION

Banks have disbursed an amount of **Rs.24.28 Crore** in favour of **1,465 beneficiaries** for H1of FY 2013-14 against the annual target of **Rs.104.83 Crore** to **9,674 beneficiaries** under these schemes, which accounts for **23%** and 15% achievement in financial and physical terms respectively, as against achievement of banks at Rs.17.26 Crore to 1,233 beneficiaries (16% in financial and 14% physical terms) as on 30th Sept. 2012.

iii) LADAKH REGION

Banks have disbursed a total amount of **Rs.5.62 Crore** in favour of **213 beneficiaries** for H1of FY 2013-14 under these five major Government Sponsored Schemes against

annual target of **Rs.19.98 Crore** for **965 beneficiaries**, which works out to **28%** achievement in financial and 22% in physical terms, as against achievement of banks at Rs.3.34 Crore for 86 beneficiaries (32% in financial and 11% in physical terms) for the corresponding period of the last year.

2) **BANK-WISE/ SCHEME-WISE ANALYSIS OF ACHIEVEMENTS**

The Bank-wise achievements in five major Central/ State Government Sponsored Schemes as on 30th Sept. 2013 is enumerated below in light of the figures annexed Scheme-wise as [Annexure-N](#), [Annexure-O](#), [Annexure-P](#), [Annexure-Q](#) and [R](#).

NRLM (SGSY): Under NRLM against a target of **Rs.68.62 Crore** for **12,983 beneficiaries**, banks have disbursed an amount of **Rs.9.72 Crore** to **1735 beneficiaries** (which includes 552 sanctioned pending cases of previous year) by the end of Q2 of FY 2013-14, which works out to achievement of **14%** in financial and **13%** in physical terms.

Out of the total achievement of Rs.9.72 Crore the major contributors are J&K Bank (Rs.5.02 Crore for 815 units i.e. **52% vis-à-vis total disbursements**), J&K Grameen Bank (Rs.1.40 Crore for 253 units), EDB (Rs.0.64 Crore for 143 units). From the data available it has been observed that **2,632 cases were sponsored to banks against the target of 12,983 cases**, out of which 1656 cases were sanctioned, 265 cases were rejected/ returned and 711 cases are pending for sanction with banks.

PMEGP: Under PMEGP Scheme against the annual target of **Rs.146.03 Crore** for **2692 beneficiaries**, banks at the end of Q2 of FY 2013-14 have disbursed an amount of **Rs.18.09 Crore** to **416 beneficiaries** (which includes 189 sanctioned pending cases of previous year) for setting up of employment generating units thereby achieving **15%** and 12% in physical and in financial terms respectively.

Out of total achievement of all banks operating in J&K State the major contributors are J&K Bank (276 units for Rs.13.83 Crore; 76%), J&K Grameen Bank (44 units for Rs.0.70 Crore), SBI (24 units for Rs.1.14 Crore) Punjab National Bank (16 units for Rs.0..47 Crore), Bank of Baroda (16 units for Rs.1.03 Crore), EDB (15 units for Rs.0.29 Crore). From the data available it has been observed that only **611 cases were sponsored to banks against the target of 2,692 cases**, out of which 304 cases were sanctioned, 103 cases were rejected/ returned and 204 cases are pending for sanction with banks.

SJSRY: Under SJSRY, banks have disbursed an amount of **Rs.4.00 Crore** to **295 beneficiaries** (which includes Rs.2.83 Crore of previous year's 187 sanctioned cases pending for disbursement) by the end of Q2 of FY 2013-14 against the annual target of **Rs.11.25 Crore** for **1125 beneficiaries**, thus registering an achievement of **36% & 26%** in financial and physical terms respectively.

Out of the total achievement of Rs.4.00 Crore the contribution of three major banks i.e., (i) **J&K Bank, Rs.2.96 Crore (201 units)**, (ii) BOI Rs.0.27 Crore (25 units) and SBI Rs.0.26 Crore (18 units). From the data available it has been observed that 276 cases were sponsored to banks against the target of 1125 cases out of which 186 cases were sanctioned, 29 cases were rejected/ returned and 61 Cases are pending for sanction with banks.

JKSES: Under JKSES, banks have disbursed an amount of **Rs.48.05 Crore** (including Rs.31.66 Crore of previous year's pending cases) to **1720 beneficiaries** by the end of Q2 of FY 2013-14 against the annual target of **Rs.234.50 Crore** for **10514 beneficiaries**, thus registering an achievement of **20%** in financial terms and **16%** of the physical target. Out of the total disbursement of Rs.48.05 Crore for 1720 beneficiaries the contribution of J&K Bank, SBI & PNB is of the order of Rs.35.85 Crore (1279 cases), Rs.4.37 Crore (164 cases) and Rs.3.20 Crore (98 cases), respectively. From the data available it has been observed that **3668 cases were sponsored to banks against the target of 10514 cases** out of which 1825 cases were sanctioned, 436 cases were rejected/ returned and 1407 Cases are pending for sanction with banks.

SC/ST/OBC: Under SC/ST/OBC banks have disbursed an amount of **Rs.2.77 Crore** to **337 beneficiaries** (which includes Rs.0.68 Crore of previous year's 124 pending cases) by the end of Q2 of FY 2013-14 against the annual target of **Rs.12.41 Crore** for **2776 beneficiaries** thereby registering an achievement of **22% & 12%** in financial and physical terms respectively. Against the physical target of **2776 units, only 719 cases have been sponsored**, out of which 391 cases were sanctioned by Banks, 73 cases were rejected and 255 cases are pending for sanction with the banks.

In light of above and the figures submitted as per the Annexures, the house is requested to deliberate upon the issue.

AGENDA ITEM NO: 91.09

Performance under Handicrafts / Handloom as on 30th September 2013:

The Bank-wise achievement as on 30.09.2013 under these Schemes is discussed below in light of the figures given in the [Annexures-S, T, U & V](#).

Handlooms: Against a target of **Rs.30.97 Crore** for **3195 beneficiaries** set for banks for FY 2013-14, banks in J&K State have disbursed a total amount of **Rs.5.85 Crore** to **575 beneficiaries** by the end of Q2 of FY 2013-14, which includes 146 sanctioned cases of previous year indicating an achievement of 19% in financial terms and 18% in physical terms. Against the physical target of 3195 cases 1267 cases have been sponsored to various banks, out of which the banks have sanctioned 637 cases with 508 cases pending for sanction and 122 cases rejected/ returned due to various reasons.

Handicrafts: Against the target of **Rs. 47.99 Crore** for **4867 beneficiaries** set for banks under this sector for the FY 2013-14, banks have disbursed a total amount of **Rs.18.50 Crore** to **2045 beneficiaries** by the end of Q2 of FY 2013-14, which includes 188 sanctioned cases of previous year indicating an achievement of **39%**. Against the physical target of 4867 cases, 4055 cases have been sponsored to various banks, out of which 2276 cases were sanctioned, 260 cases were rejected and 1519 cases are lying pending with the banks for sanction.

Artisans' Credit Card (ACC) Scheme: An amount of **Rs.65.75 Crore** has been disbursed by banks under Artisans Credit Card Scheme in favour of **7,524 Artisans** (against the target of **Rs.175.59 Crore**) indicating an achievement of **37%** in financial terms and 41% in physical terms. Under Artisans' Credit Card Scheme 10,688 cases were sponsored to banks, against which 4817 cases have been sanctioned by the banks, 750 returned/ rejected and 5,121 cases are pending with various banks.

Major contributors are: J&K Bank (7337 cases for Rs.64.08 Crore: 97% of total disbursement), SBI (53 cases for Rs.0.48 Crore:0.73% of total disbursement),J&K State Coop. Bank (46 cases for Rs.0.43 Crore:0.65% of total disbursement), EDB (40 cases for Rs.0.37 Crore:0.56% of total disbursement) and PNB (20 cases for Rs.0.17 Crore:0.26% of total disbursement).

The house is requested to deliberate.

AGENDA ITEM NO: 91.10

ACHIEVEMENT UNDER SELF HELP GROUP (SHG) AS ON 30th SEPT. 2013:

Reserve Bank of India has desired to have a proper review of disbursement of credit through Self Help Groups (SHGs), as it is an effective tool for delivering credit to rural poor for their economic empowerment and social development and it is an alternative loan delivering system, which minimizes the cost of operation and transaction for the banks.

The cumulative position of achievement under Self Help Group (SHG) Scheme as at the end of Sept. 2013 is summarized as under:

- Total SHGs formed ... 9,541
- SHGs Savings linked ... 7,977
- SHGs Credit linked ... 6,859
- Total loans disbursed by banks ... Rs.48.06 Crore

Major contributors are:

Name of Bank	SHGs formed	SHGs savings linked	SHGs Credit linked	Credit disbursed (Amt. in Crores)
SBI	3127	2393	2332	Rs.17.94
J&K Bank	3103	2288	1425	Rs.9.33
JKGB	1143	1143	1143	Rs.7.45
JKSCB	729	729	721	Rs.2.26
EDB	565	565	457	Rs.7.47
PNB	384	384	349	Rs.1.38
JCCB	296	296	296	Rs.0.92

The detailed Bank-wise performance as of 30th Sept. 2013 is submitted as per [Annexure-W](#)

The house is requested to deliberate on the issue

AGENDA ITEM NO: 91.11

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

In terms of Finance Department, J&K Govt., letter No. FD/BKG/03/2008 dated 7th January 2010 the progress on implementation of the Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) is being included regularly in the SLBC agenda for complying with the instructions received by the State Government from Gol, Ministry of Housing & Urban Poverty Alleviation.

Gol, Ministry of Housing & Urban Poverty Alleviation launched ISHUP Scheme in February 2009 to address urban housing shortage in the country, which provided for interest subsidy of 5% per annum on loan amount of upto Rs.1.00 lakh for the economically weaker section (EWS) and lower income group (LIG) in the urban areas for acquisition/ construction of houses. State Urban Development Agency (SUDA) was nominated by State Government to identify, motivate and organize beneficiaries to seek loans for building or buying houses and forward applications of eligible beneficiaries to banks/ FIs in the State. The Scheme was to close in March 2012. But Ministry of Urban Poverty Alleviation (MOHUPA) has extended the scope of implementation of the scheme during FY 2013-14 upto 30.09.2013.

Progress achieved by banks in J&K State upto the end of September, 2013:

As per the report received in respect of three districts of Srinagar, Ganderbal and Budgam, the performance of banks in J&K State as at the end of 30.09.2013 is given below for information of the house:

S. No.	Particulars	Progress achieved			
		Srinagar	Ganderbal	Budgam	TOTAL
1	Total No. of Cases sponsored	99	2	12	113
2	Cases sanctioned and disbursed	15	2	7	24
3	Percentage of achievement	15	100	58	21
4	Cases returned	62	0	5	67
5	Cases under process/ pending for required papers	22	0	0	22

SLBC has received a communication from Housing & Urban Development Department, J&K Government, Civil Secretariat Jammu/Srinagar under their reference No.

LDB/SLBC/25/2009 dated 27.11.2013 stating therein that the scheme has been modified and relaunched as **Rajiv Rinn Yojna (RRY)** with enhanced scope and coverage. The salient features of the modified scheme are enumerated below:

- The Scheme is 100% Central Sector Scheme to be applicable in all the Urban areas of the Country which evidently includes State of Jammu & Kashmir.
- The Scheme provides financial assistance/home loan to economically weaker section (EWS) and lower income group (LIG) in the urban areas for acquisition/ construction of houses to such beneficiary, which don't have house in his/her name or in the name of his/her spouse or any dependent child.
- Such beneficiaries who own land in urban areas but don't have Pucca house in their name or their spouse will also be covered under the Scheme.
- The annual income for EWS & LIG has been fixed at Rs. 1 to 2 lac for availing the facility.
- The scheme provides for maximum loan amount of Rs. 5.00 Lacs for EWS individual and Rs. 8.00 Lacs for LIG individual but subsidy will be given for loan amount upto Rs. 5.00 Lacs only.
- The subsidy will be 5% P. A. on interest charges on admissible loan and will be paid to primary lending institutions (Banks and Housing Finance Corporations) through central Nodal Agencies which in the case is HUDCO and NHB.
- The beneficiary will be charged on interest net of the fixed subsidy of 5%(500 basis penl) from prevailing rate of interest of the primary lending institutions.
- Based on the percentage share of urban population and urban shortage, 2000 dwelling units has been fixed for J&K State as target for Current financial year.
- The tenure of ISHUP expired on September 30, 2003 and modified Scheme Rajiv Rinn Yojna is effective from October 1, 2013

House is requested to adopt the modified model.

AGENDA ITEM NO: 91.12

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 Sept. 2013:

Although SLBC is primarily assigned the role of facilitating and monitoring smooth flow of credit to priority sector yet the overall credit scenario in J&K State is revealing some interesting and peculiar behavioral aspects attracting attention like low CDR, low credit appetite, lack of entrepreneurship, etc. Precisely for the purpose of having some idea and understanding and also to address and resolve such peculiar issues, the statistical data of various banks functioning in the J&K State is provided for the perusal of the house as under:

1. **Comparative Statement of Bank-wise deposits and advances with Credit Deposit Ratio and Credit + Investment to Deposit Ratio and NPAs outstanding as on Sept. 2012 and Sept. 2013.** [Annexure-X](#)
 - Total advances of all banks operating in the State as on 30th Sept. 2013 stood at Rs.26,802.26 Crore against Rs.21,217.06 Crore during the corresponding period of previous year. The total deposits of the banking sector stood at Rs.66,223.28 Crore as on 30.09.2013 as compared to Rs.58,086.00 Crore as on 30.09.2012.
 - YoY growth in Deposits = 14% and YOY growth in advances = 26.32%.
 - The C. D. Ratio of all banks operating in the State stood at 40.47% as on 30th Sept. 2013 against 36.53% as on 30th Sept. 2012.
2. **Statement of Bank-wise / Sector-wise advances outstanding against Priority Sector/ Weaker Sections of the society at the end of Sept. 2013.**

[Annexure- Y](#)

Out of the aggregate advances of Rs.26,802.26 Crore outstanding as on 30th Sept. 2013 an amount of Rs.15,144.47 Crore (56.50%) has gone to Priority Sector and Rs.11,657.79 Crore (43.50%) has gone to Non-Priority Sector. Rs.3,980.71 Crore out of the priority sector has gone to weaker sections of the society constituting 26.28% of Priority Sector Advance. **The Weaker Section contribution of J&K Bank alone has been Rs.3,125.64 Crore, constituting 17.37% of its total advances (Bench Mark 10%).**

CREDIT SHARING OF MAJOR PLAYERS IN J&K STATE:

As is manifest from the Comparative Statement of Bank-wise Deposits and Advances ([Annexure-X](#)) J&K Bank has the largest share of Rs.17,991.57 Crore comprising 67.13% of the aggregate outstanding credit of banking sector of Rs.26,802.26 Crore in the State at the end of Sept. 2013. The share of SBI is Rs.2,551.80 Crore comprising 9.52%, JKGB Rs.934.36 Crore comprising of 3.48% and that of PNB is Rs.868.24 Crore comprising 3.24%.

The NPA position of the banks as reflected in [Annexure-X](#) reveals that out of total NPAs of Rs.1207.82 Crore in the State at the end of Sept. 2013, the amount of three major banks, i.e. J&K Bank, SBI and PNB is to the tune of Rs.426.48 Crore, Rs.199.36 Crore and Rs.152.88 Crore, respectively.

It is also evident from Annexures that **J&K Bank has the largest share of Rs.9,558.10 Crore aggregate outstanding credit under Priority Sector comprising 63.11% out of the total **Priority Sector Bank Credit of Rs.15,144.47 Crore in the State at the end of Sept. 2013.****

The shares of SBI, JKGB and PNB in outstanding credit to Priority Sector are Rs.1,754.90 Crore (11.58%), Rs.649.21 Crore(4.28%) and Rs.639.30 Crore (4.22%) respectively.

From the above Annexure, it will be observed that **J&K Bank alone has made total advances of Rs.17,991.57 Crore in J&K State as on 30.09.2013** as against its total deposits of Rs.40,606.50 Crore, thereby achieving a **C. D. Ratio of 44.31% surpassing state level C.D. Ratio target of 40%**, as against 39.87% as on corresponding date of the previous year indicating remarkable increase of 4.44% Y-O-Y basis. The other major Public Sector Banks, viz. SBI & PNB have made advances of Rs.2,551.80 Crore and Rs.868.24 Crore respectively as against their deposits of Rs.9,346.39 Crore and Rs.4,167.67 Crore, achieving a C.D. Ratio of 27.30% and 20.83%, respectively, as on 30th September, 2013. The remaining 20 Public Sector Banks put together have advanced Rs.1,816.56 Crore as against their total deposits of Rs.4331.81 Crore, which works out to a C. D. Ratio of 41.93%.

- **SBI has marginally improved its CDR by 0.88% from 26.42% as on 30.09.2012 to 27.30% as on H1 under review but CDR of PNB has slashed down by 2.77% from 23.60% as on 30.9.2012 to 20.83% as on 30.09.2013. PNB & SBI need to push up their C.D.Ratio substantially.**

The J&K Grameen Bank (JKGB) has made advances of Rs.934.36 Crore as on 30.09.2013 as against total deposits of Rs.2187.43 Crore, thereby achieving a C. D. Ratio of 42.71% as against 38.58% as on corresponding date of the previous year indicating increase of 4.13% Y-o-Y basis. The Ellaquai Dehati Bank (EDB) has made advances of Rs.357.56 Crore as against total deposits of Rs.726.93 Crore, thereby achieving a CD Ratio of 49.19% as against 48.65% as on corresponding date of the previous year indicating marginal increase of 0.54% Y-o-Y basis **but CD ratio of EDB is higher in RRB Segment.** The two RRBs operating in the State put together have advanced a total amount of Rs.1291.92 Crore against their total deposits of Rs.2,914.36 Crore, which works out to a C.D. Ratio of 44.33% as on 30th Sept. 2013.

The ten Cooperative Banks together have advanced Rs.980.75 Crore as against their total deposits of Rs.2793.66 Crore, thereby achieving C. D. Ratio of 35.11% as on 30th Sept. 2013.

While analyzing the Priority Sector advances it has been observed that the Micro & Small Enterprises sector dominates other sectors by absorbing major share of Rs.8,176.38 Crore followed by Agriculture, Housing, and Others sector with an amount of Rs.4,343.32 Crore, Rs.1,825.58 Crore, Rs.547.02 Crore, respectively and the lowest share of Rs.252.17 Crore has gone to Education Sector.

The RBI prescribed statement 'LBS-MIS-II indicating loan disbursements and outstanding credit is placed as [Annexure-Z](#) for information of the members.

In light of the figures provided in the Annexures, the analysis of credit scenario is presented before the house for deliberations.

AGENDA ITEM NO: 91.13

Credit delivery to Micro, Small and Medium Enterprises (MSMEs) as at the end of September 2013:

In terms of Gol, MoF, DFS, letter-bearing F.No.21/01/09-Dev dated 12th January 2009 implementation of Indian Banks Association (IBA) package on MSME, Housing and Auto Sectors has to be taken up in the agenda items during the regular quarterly SLBC meetings.

The progress achieved by Banks on implementation of IBA package on MSMEs and other productive sectors (cumulative from the date of inception, i.e. Dec. 2008, upto 30th September 2013) is given as under:

- Banks have sanctioned working capital loans (new) to the extent of Rs.2,505.67 Crore in favour of 49,997 beneficiaries and incremental working capital loans of Rs.1,433.73 Crore in favour of 10,145 existing units.
- Banks in the State have so far restructured 6,878 MSMEs accounts involving an amount of Rs. 582.49 Crore.
- Banks have sanctioned Soft Loans for purchase of D. G. Sets to the tune of Rs.10.29 Crore in favour of 655 entrepreneurs.
- Housing loans have been sanctioned by the Banks operating in the State to the extent of Rs.1911.32 Crore in favour of 46,512 beneficiaries.
- Auto loans have been sanctioned to the extent of Rs.2,504.22 Crore in favour of 85,411 beneficiaries.

Details of bank-wise cumulative achievements under aforesaid MSMEs package as at the quarter ended of September 2013 are given in the [Annexure-Z-1 & Z-2](#) for information of the members.

Flow of credit under Credit Guarantee Fund Trust Scheme for MSMEs as on 30.09.2013

Under the Credit Guarantee Fund Trust Scheme for MSMEs, the banks operating in J&K State have disbursed a cumulative amount of Rs.388.22 Crore in favour of 17,674 beneficiaries as at the end of 30th September 2013, which includes Rs.104.86 Crore disbursed in favour of 7,273 beneficiaries during the CFY 2013-14 as compared to cumulative amount of Rs.211.32 Crore in favour of 5567 beneficiaries disbursed up to corresponding date of the previous year thus registering Y-o-Y growth of 84%.

Major contributors are J&K Bank Rs.151.78 Crore (39%) and State Bank of India Rs.127.40 Crore (33%).

Bank-wise details are given in [Annexure-Z-3](#)

The house is requested to review the position and deliberate on the issue.

AGENDA ITEM NO: 91.14

A) Opening of specialized branches in MSME clusters:

B) Rehabilitation of sick Micro and Small Enterprises – monitoring by Empowered Committee:

A) The 15th meeting of the Standing Advisory Committee (SAC) on Flow of credit to Micro Small and Medium Enterprises (MSME) sector was held on August 6, 2013 at Reserve Bank of India, Central Office, Mumbai. Minutes of the said meeting have been circulated vide RPCD.CO.MSME & NFS No.2811/06.02.28/2013-14 dated August 29, 2013. The following actionable points have been flagged for immediate action by all the Scheduled Commercial Banks, for which RBI, R.O. vide letter No. RPCD (JMU) No.395/03.01.24/2013-14 dated October 07, 2013 has desired that the matter may be discussed in the SLBC meeting.

- (i) **Banks to explore the potential of business in the MSME clusters and open branches in such clusters. Banks should also open branches in the SFURTI (Scheme of Fund for Regeneration of Traditional Industries) clusters of KVIC to improve accessibility of credit to micro and small enterprises.**
- (ii) **The Banks should use Credit Scoring model for their MSE customers; and**
- (iii) **'Credit Pricing to the sector should be transparent, logical and reasonable. Banks to examine the feasibility of providing better pricing for MSE loans covered under credit guarantee cover, of say Base rate plus 2 percentage points'.**

B) RBI vide letter bearing RPCD (JMU) No.397/03.01.24/2013-14 dated October 8, 2013 have conveyed that the 15th Standing Advisory Committee on flow of Credit to MSME, in its meeting held on August 06, 2013, have expressed concern at the slow progress in the revival of sick units and observed that number of units taken up for nursing was abysmally low viz-a-viz the number of units found potentially viable. Besides, viability study had not been undertaken in respect of many. The Committee observed that banks have not been restructuring accounts of borrowers in the MSMEs sector as they do for the large borrowers.

In view of the contribution of MSME sector to overall industrial production, exports and employment generation, timely and adequate assistance to potentially viable MSE units, which have already become sick or are likely to become sick, is of utmost importance, RBI has observed that banks are expected to be more considerate and sympathetic to the restructuring requests received from units in MSME sector.

Banks have been advised by RBI to put in place a transparent mechanism for timely restructuring of the loans for all types of borrowers.

House may deliberate the issue

AGENDA ITEM NO: 91.15

Flow of Credit in Minority Concentrated Districts:

In terms of Reserve Bank of India guidelines issued vide Master circular No.RPCD.SP.BC.12/09.10.01/2007-08 dated July 5, 2007 followed by circular No.RPCD.SP.BC.No.13/09.10.01/2007-08 dated July 16, 2007, the credit flow to minorities in 121 districts of the country notified as Minority Concentrated Districts by GOI is to be monitored for ensuring that the minority communities receive a fair and equitable portion of the credit within the overall target of the priority sector.

For J&K State only District Leh has been included in the list of minority concentrated districts.

Accordingly, based on the data received from LDM, Leh, the credit flow to minorities in Leh District under priority sector has been to the tune of Rs.200.76 Crore spread over 9732 accounts as on 30th September 2013 as compared to amount outstanding of Rs.173.77 Crore in favour of 7712 beneficiaries for the corresponding period 30.09.2012 indicating increase of 15.53% Y-o-Y basis.

Break up is given below:

(Amount in Crores)

Serial	Name of community	No. of Accounts		Amount outstanding	
		Prev. quarter	Current Quarter	Prev. quarter	Current Quarter
	Christians	3	3	0.08	0.06
	Muslims	1749	1752	36.17	37.35
	Buddhists	6975	7078	130.99	132.05
	Sikhs	9	11	0.41	0.51
	Zoroastrians	0	0	0	0
A	TOTAL	8736	8844	167.65	169.97
B	Others	974	888	29.83	30.79
C	Total Priority Sector Advances (A+B)=C	9710	9732	197.48	200.76
D	Share of A out of C (in %)	89.97	90.88	84.89	84.66

The house is requested to review the position and deliberate on the issue.

AGENDA ITEM NO: 91.16

Performance review of LDMs/ DLRCs & DCCs:

The High Level Committee (HLC) of RBI to review Lead Bank Scheme has recommended that “various fora at lower levels should give adequate feedback to the SLBC on various issues that need to be discussed on a wider platform. Important issues/ decisions of the BLBC, DCC and DLCC should be placed before the next meeting of the SLBC, so that these receive adequate attention at the State Level.

Besides, in terms of the decision taken in 86th meeting of J&K SLBC Performance Reports of the individual District Level Review Committees (DLRCs)/ District Consultative Committees (DCCs) are being included in the agenda of the SLBC meetings regularly for information of the house.

Conduct of DCCs and DLRCs meetings

It has been observed that periodicity of conducting DCC and DLRC meetings envisaged by RBI is being complied with by all the LDMs in J&K State and these meetings are being conducted regularly. During the reporting quarter these meetings have been conducted by 20 LDMs However, the meetings for remaining two districts of Kathua and Samba were held in the month of October owing to busy schedule of the district authorities. The detailed statement of DLRC / DCC meetings conducted during the quarter ended 30th September 2013 is enclosed as [Annexure-Z-4](#) for information of the house.

District-wise Credit Deposit Ratio

Based on the data provided by banks operating in the State, C.D.Ratio of each district as on 30th September 2013 is given in the following table for information of the house:

S. No.	Name of District	C.D. Ratio (%age)	Remarks	S. No.	Name of District	C.D. Ratio (%age)	Remarks
Lead Districts of J&K Bank				Lead Districts of SBI			
1	Srinagar	45.59	...	13	Samba	50.30	...
2	Ganderbal	63.85	...	14	Jammu	31.46	Low CD Ratio
3	Baramulla	73.25	...	15	Udhampur	27.79	Low CD Ratio
4	Bandipora	58.93	...	16	Reasi	25.48	Low CD Ratio
5	Anantnag	56.25	...	17	Kathua	37.80	Low CD Ratio
6	Kulgam	71.71	...	18	Doda	22.51	Low CD Ratio
7	Pulwama	75.69	...	19	Ramban	23.89	Low CD Ratio
8	Shopian	137.04	...	20	Kishtwar	18.84	Low CD Ratio
9	Budgam	71.23	...	21	Leh	22.35	Low CD Ratio
10	Kupwara	61.05	...	22	Kargil	26.12	Low CD Ratio
11	Poonch	17.86	Low CD Ratio				
12	Rajouri	23.31	Low CD Ratio				

The detailed statement showing District-wise/ Agency-wise Credit Deposit Ratio is given in [Annexure-Z-5](#).

As is manifest, eleven districts continue to have discouraging subdued C.D.Ratio. These districts are: District Jammu, Udhampur, Reasi, Kathua, Doda, Ramban, Kishtwar, Rajouri, Poonch, Leh and Kargil. The LDMs have been repeatedly advised to closely monitor the credit dispensation and follow up with the concerned banks to improve performance and achieve ACP targets.

As per RBI guidelines conveyed vide Circular No. RBI/2005-06/202 dated November 9, 2005 provide that in the districts having CDR less than 40%, Special Sub-Committees (SSCs) of DLCC may be set up to monitor the CDR. The functions of the Special Sub-Committee will be as under:

- 1) To draw up Monitorable Action Plans (MAPs) for improving the CDR in their districts on a self-set graduated basis;**
- 2) Hold meetings to set a target for increasing the CDR and also set a definite time frame for the CDR beyond 60% in annual increments.**
- 3) Take up the plans for implementation and monitor the same assiduously.**
- 4) Report the progress to the DLCC on quarterly basis and through them to the Convenor of SLBC.**
- 5) On the basis of the feedback received from the DLCC regarding the progress in the implementation of the Monitorable Action Plans, consolidated report will be prepared and tabled at all SLBC meetings for discussion/ information.**

As per reports received from all the concerned LDMs, the Special meetings of DCC to monitor the CD Ratio have already been set up in all these districts, which are required to discuss the issue, ascertain bottlenecks and initiate immediate remedial measures for substantially improving the CD Ratio.

LDMs of the concerned 11 districts with low C. D. Ratio as mentioned above to report progress in the matter

House may deliberate the issue

SEGMENT – 4 (RECENT DEVELOPMENTS)

AGENDA ITEM NO: 91.17

NABARD's support to Farmers' Training Centre (FTC) set up by the banks:

NABARD, R.O. Jammu vide their letter bearing Ref. No. NB.J&K DPD-FS/Gen/2013-14 dated 13 September 2013 (copy enclosed for ready reference) have informed that PNB has established a Farmers' Welfare Trust and under its ambit, have opened around 10 Farmers' Training Centres (FTCs) in different states, like Punjab, Haryana, Rajasthan, MP, UP, Tamil Nadu etc. Concerned State Governments have allocated land of seven to eight acres to each of the FTC. These FTCs conduct several programmes to disseminate the latest technological developments amongst the farmers for increasing production and productivity, apprise the farmers with banking schemes, motivate them to adopt modern cultivation, harvesting, storage and marketing practices, impart them skill development programmes in different trades, allied agriculture sector like Bee keeping, Sericulture, handicrafts, agro processing etc.

NABARD has desired that **J&K Bank being the leader bank in the State of J&K, should take initiative in this regard and set up Farmers' Training Centres in three regions, viz. Jammu, Kashmir and Ladakh, for which NABARD would be happy to extend full cooperation to J&K Bank in this venture.** NABARD, as conveyed in the above referred to letter, has launched a scheme to provide financial assistance to FTCs set up by banks, under which 50% of recurring expenditure upto Rs.15.00 lakhs are provided to the FTCs.

Pertinent to mention here that in the 89th SLBC meeting held on 6.6.2013, while deliberating upon the CSR plans of banks in J&K, the DGM, **PNB stated that they have requested the State Government to allot them land at Jammu for establishment of Farmers' Training Centre.** PNB has expressed their intention in their CSR Plan to set up the said Farmers' Training Centre at Jammu after the State Govt. allots land for the purpose.

Since Jammu region is likely to be catered by the FTC to be set up by PNB, it is proposed that the other two regions of the State, viz. Kashmir region and Ladakh region may be allocated to J&K Bank and SBI, respectively, for establishing Farmers' Training Centres and seek collaboration of NABARD for this venture.

House is requested to deliberate the issue.

Encl: (1)

AGENDA ITEM NO: 91.18

Implementation of modified Revival, Reform and Restructuring (RRR) Package for Handloom Sector; institutional credit component of integrated Handlooms Development Scheme (IHDS) and their merger into “National Handloom Development Programme”.

Gol, MoTextiles, Office of Dev. Commissioner (Handlooms), New Delhi, vide communication No.6/2/99/DCH/2013-14/DHDS dated 27th September, 2013, have issued guidelines for **modified Revival, Reform and Restructuring (RRR) Package for Handloom Sector**, Institutional Credit Component of Integrated Handlooms Development Scheme (IHDS) and their merger into “National Handloom Development Programme”. The funds under this package will be shared by Govt. of India and State Govt. in the ratio of 90:10. Govt. of J&K has already signed the Tripartite MOU with Gol, MoT and NABARD on 28th September 2013 in this regard, as required under the package. Main features of the said package are as under:

- 1) The repayment from the RRR package for loan waiver will be limited to 100% of overdue principal and only 25% of overdue interest as on 31.03.2010 in respect of viable and potentially viable Primary Weaver’s Cooperative Societies and Apex Societies as well as in respect of individual handloom weavers, master weavers, SHGs, JLGs who have taken loans for handloom weaving purposes. The balance 75% of overdue interest and entire penal interest, if any, will have to be written off by the bank as a pre-condition. There would be an overall ceiling of Rs.50,000/- per individual beneficiary.
- 2) The Waiver of loan and interest for a particular beneficiary will be subject to the condition that the bank simultaneously agrees to extend a fresh loan of Rs.20,000/- or more to that beneficiary. If the bank is not willing to extend fresh loan simultaneously to the weaver, then that weaver’s loan will not be covered under this scheme.
- 3) Government will make necessary provision towards payment of guarantee fee at 1% and annual service fee at 0.5% to be paid to CGTMSE, for credit guarantee for a period of 3 years from the date of first disbursement of the fresh loans.
- 4) Guidelines provide that wide publicity for the scheme be given in both print and electronic media informing eligible weavers to apply to their respective bank branches for waiver.

In this regard a meeting was held on 23.10.2013 between DGM, NABARD, Jammu (Nodal Agency appointed by Gol, MoTextiles) with AVP, Lead bank/ J&K SLBC, to discuss the issues / modalities for smooth implementation of the package. As per the decisions taken in the said meeting, J&K SLBC has taken a number of steps for smooth implementation of the package.

SLBC has advised all banks as under:

- (i) **To ensure that weavers/ borrowers are made fully aware about the RRR package so that no eligible borrower is left out of the benefits available under the package. In this regard it was considered expedient that banks will issue One-page publicity advertisements in the leading local dailies of the State, so as to ensure that the eligible weavers approach their concerned banks for availing benefits of the RRR package.**

J&K SLBC has already arranged publication of the advertisement in local dailies of Kashmir and Jammu.

- 5) It has been made amply clear that it would be the responsibility of individual banks to ensure that **no borrower is left out of the benefits available under the scheme** and in case at a later stage any of the eligible weavers claim that they have not been provided benefit of the RRR package, the responsibility thereof shall devolve on the bank branch concerned.
- 6) Banks were advised to submit commitment letters to the Convenor, SLBC latest by 15th November, 2013 to the effect that the bank will extend fresh credit facility to the beneficiaries of the RRR package as per Gol, MoTextiles guidelines, which timeline was extended up to 21st November 2013.
 - **Only three banks viz, J&K Bank, J&K Grameen Bank and J&K Central Co-operative Bank have submitted the commitment letters till date.**
- 7) Ensure that the list of eligible borrowers is displayed conspicuously at the branch concerned.
- 8) All the claims of waiver under the package are got duly certified/ authenticated by the Auditors and that no claims would be entertained unless these are certified by the Auditors.
- 9) LDMs have been advised to function as Nodal Officers in the district for the purpose of implementation of the RRR Package in order to ensure that necessary data is forwarded by the branches operating in their respective districts to their controlling offices;
- 10) Zonal Heads/ Regional Heads / Controlling Heads of Banks in J&K State have been advised to designate as Grievance Redressal Officers as per Gol, MoTextiles guidelines, for the purpose of sorting out grievances of beneficiaries;
- 11) SLBC to obtain and submit the lists of Nodal Officers and Grievance Redressal Officers to NABARD.

In terms of guidelines, the Govt. of J&K has already constituted State Implementation, Monitoring Review Committee (SIMRC) to monitor implementation of the Scheme in the State, in which Convenor, J&K SLBC has been included as a member. First meeting of the SIMRC was taken by Com./Secretary, Ind. & Com. on 9th October 2013 at Civil Secretariat, Srinagar, wherein among other things it was decided that *"The State Level Bankers Committee shall convene the meeting of Sub-Committee immediately, so as to discuss and resolve the issues related to the subject matter. The details of all NPAs shall be collected from respective Bank institutions, so that it is consolidated and forwarded to NABARD well in time."*

Accordingly a meeting of the Committee was convened by J&K bank (SLBC Convenor) on 12th November, 2013 at Jammu. Mr. F. A. Faktoo, Commissioner/ Secretary, Industries & commerce, J&K Government presided over the said meeting comprising members from J&K Govt., NABARD, RBI, Major Banks, RRBs & Coop. Banks, wherein the banks were sensitized about the implementation of the RRR Package. Also NABARD and State Government authorities provided necessary clarifications to banks regarding operation of the package. Mr. B. G. Mukhupadya, CGM, NABARD was also present in the meeting.

Banks may inform progress achieved in this regard,

House may deliberate the issue.

AGENDA ITEM NO: 91.19

Establishment of Dairy Units under National Mission on Protein Supplementation (NMPS):

Directorate of Animal Husbandry, Jammu vide letter bearing Ref. No. DAHJ/Tech-308 /5017-18 dated 12.07.2013, have intimated that the department is in receipt of funds to be expended as subsidy for establishing dairy units of 5,10,15 and 20 animals under Centrally Sponsored Scheme “**National Mission on Protein Supplementation (NMPS)**”. However, the Scheme could not be implemented during 2012-13 as the credit availability as per the framed guidelines was not existing with the banks. The department is expecting revalidation of unspent balance and release of further funds under the Scheme to be expended during 2013-14. Accordingly, the guidelines, **enclosed herewith**, for establishing these units have been framed by Directorate of Animal Husbandry for seeking formal approval of SLBC.

House may deliberate the issue and approve the guidelines regarding Establishment of dairy units under NMPS.

Encls: **(2) NMPS guidelines**

AGENDA ITEM NO: 91.20

Monitoring of flow of credit for livestock and fisheries sector:

In the backdrop of D.O. letter dated 3rd May 2013 (copy enclosed for ready reference) Government of J&K, Animal/ Sheep Husbandry Department, Civil Secretariat, Srinagar, vide communication bearing Ref. No. ASH/Plan/65/2012 dated 12.06.2013 have informed that No data regarding flow of credit to various sub-sectors under Agriculture sector, viz. Poultry, Dairy, Sheep, Goat and Fisheries activities is readily available with the Government. As such, SLBC is requested to collect the performance data of banks regarding the same preferably on quarterly basis, for onward transmission to Gol, Ministry of Agriculture.

The issue was deliberated in the 90th SLBC meeting held on 29th August, 2013, wherein the house observed that flow of credit to various sub-sectors of Agriculture sector, viz. Poultry, Dairy, Sheep, Goat and Fisheries activities should be reviewed regularly in the DLRC/ DCC meetings henceforth. It was also decided that necessary data regarding performance of banks on the pattern of other existing schemes should be collected by the LDMs on quarterly basis and submitted to Convenor Bank for onward transmission to Gol, Ministry of Agriculture as well as for being placed in the SLBC meetings henceforth.

Accordingly, the data received from LDMs as at the end of September 2013, is enclosed for information of the members as [Annexure Z6](#), [Z7](#), [Z8](#), [Z9](#) & [Z10](#)

Apart from above, the Govt. of J&K, Animal Husbandry Department has also requested the SLBC to Constitute a Sub-Committee of J&K SLBC under the Chairmanship of Secretary to Government, Animal/ Sheep Husbandry Department, to monitor and review flow of credit to Animal Husbandry, Dairy and Fisheries Sectors on quarterly basis prior to SLBC meetings. Accordingly, a Steering Sub-Committee comprising members from all stakeholders is proposed to be constituted as per list enclosed.

House is requested to deliberate the issue and approve constitution of the Steering Sub-Committee

Encls: 2

AGENDA ITEM NO: 91.21

Providing banking services to Village Malikote of District Reasi; and Coverage of some other uncovered villages of district Kargil in the population segment of >2000:

A) Village Malikote:

RBI, Central Office, vide communication No. DBOD.BAPD/14701/22.01.004/2012-13 dated March 28, 2013 has advised that the issue of providing banking services to the people of Village Malikote of Tehsil Mahore, District Reasi, having population of 2089 with 330 households, be discussed in the SLBC meeting for exploring possibility of opening bank branch.

LDM, Reasi has reported that the village is having a scattered population and opening of a bank branch there would not be viable. He has reportedly conducted detailed survey of the area and found that the village is poorly connected with road, power, net and other basic infrastructure.

J&K Bank, FID Department has informed that village Malikote is situated at a hilly site at a distance of 12-15 kms from J&K Bank branch Chassana. It lacks road connectivity.

The village Malikot District Reasi may be allocated to J&K Bank Chassana.

B) Other uncovered villages of District Kargil

LDM, Kargil, vide Email dated 12.09.2013 has reported that nine villages of the district (as detailed in the enclosure), were required to be identified in FIP-I programme, have erroneously been left to be identified earlier. Now the J&K Bank branches are already existing in two of these villages. It has been requested to arrange to get these remaining seven villages included in the list of FIP-II villages urgently, so that these villages are allocated to respective banks and are covered in FIP-II programme.

In view of the presence of J&K Bank & SBI in the region, it is proposed that we may distribute the 7 leftout unbanked villages in district Kargil to J&K Bank and SBI in the ratio of 4:3 as per the following allocation:

S. No	Name of the Unbanked village	Allocated to
01	Tambis	J&K Bank Trespone
02	YourBaltak	JKB Kargil
03	Thasgam Thevena	JKB Sankoo
04	Lankerche	JKB Sankoo
05	Minjee	SBI Kargil
06	Choskore	SBI Kargil
07	Pashkum	SBI Kargil

House is requested to deliberate the issue

Encls: (1)

AGENDA ITEM NO: 91.22

Constraint in obtaining Title investigation Report for properties proposed to be mortgaged in connection with fresh financing:

State Bank of India, Administrative Office, Jammu, vide their letter No. LBS/2013-14/288 dated 09.09.2013 (copy enclosed for ready reference) have informed that banks are generally facing lot of problems in J&K State in getting the Title Investigation Report (TIR) in respect of properties offered as collateral for fresh loaning (particularly in cases of Housing Loan / collateralized loans to industry) due to Revenue record and judicial record being kept separately and non-computerization of these records. Further, the advocates do not have access to Revenue records. Under these circumstances, getting Title Investigation Report (TIR) from advocates/ prospective borrowers becomes very time consuming and expensive. This is a major deterrence for the public to avail financing from banks.

State Bank of India has requested that this issue be discussed in the SLBC meeting to find out solution to these constraints.

House is requested to deliberate the issue

Encls: (1)

AGENDA ITEM NO: 91.23

Drawing of Yearly Calendar of SLBC meetings to be held during the Calendar year 2014

Rural Planning & Credit Department, Reserve Bank of India, Central office Mumbai vide its circular under reference No. RPCD. CO. LBS.BC.NO.44/02.19.10/2010-11 dated December 29, 2010 have directed all the Convenor Banks of SLBCs across the Country to prepare a yearly Calendar of programmes (on Calendar-year basis) in the beginning of the year itself for conducting the State Level Bankers' Committee meetings.

Accordingly, in compliance to RBI directives, the yearly-calendar for convening meetings of J&K SLBC during the ensuing year 2014 has been prepared in accordance with the prescribed schedule of cut off dates for data submission to SLBC etc. The same is enclosed for being adopted by the house so as to circulate the same amongst the concerned member banks, Lead District Managers and other members for adherence.

In the event the house accepts and accords approval to the Calendar of SLBC meetings prepared for the Calendar year 2014, the members are requested to reserve the dates as indicated therein and also to ensure the submission of required data to SLBC strictly as per cut-off dated mentioned in the [calendar](#).

Encl:1