

Agenda Item No. 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

Under Swabhimaan Campaign/ Financial Inclusion Plan Phase-1, 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.

The Financial Inclusion Plan Phase-1, has been successfully accomplished by providing coverage to the 795 rural (Tier V –Tier VI) unbanked villages by FIP participating banks.

The Bank-wise achievement under Phase-I of Financial Inclusion Plan and No. of Financial Inclusion Accounts opened upto 31st March 2014 is tabulated below:

S. No	Name of Bank to which allocated	Target		Progress	
		Number of Villages allocated by J&K SLBC	No. of households to be covered	No. of villages which stands already covered by 31 st December 2013	No. of F.I. A/Cs opened upto 31 st March 2014
1	J&K Bank	536	347237	536	281020
2	SBI	95	42750	95	36846
3	PNB	34	22436	34	11681
4	JKGB	95	34288	95	58427
5	EDB	35	17286	35	29567
	TOTAL	795	463997	795	417541

Though the banks received appreciation for achievements under FIP Phase-I in the 93rd meeting of J&K SLBC but were advised to bridge the gap between the total number of households to be covered and the number of accounts opened upto 31st March 2014.

In 91st meeting of J&K SLBC the issue of providing banking services to the village Malikote Tehsil Mahore District Reasi and coverage of some other left out villages during the Swabhimaan Campaign/ Financial Inclusion Plan Phase-1, of district Kargil in the population segment of >2000 was deliberated under Agenda Item No. 91.21 and the villages were allotted to J&K Bank and SBI as per the following allocation:

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

J&K Bank has provided coverage to the allocated 5 villages tabulated above.

SBI has informed that the said allocated villages have not been covered yet due to the inclement weather conditions prevailing in the areas.

The representative of State Bank of India to inform the latest status of coverage of three allocated unbanked villages.

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 existing 5 participating banks, with the objective of opening 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 March 2014 is given below for information of the forum:

S. N o.	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	Ach. Upto 31 March 2014 (FY 2013-14)	Cumulative Target upto 31 st March 2014	Cumulative Progress upto 31 st March 2014
			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	709	1600	1696
2	SBI	753	111	196	215	231	94	296	307	390
3	PNB	294	6	137	81	70	2	106	143	108
4	JKGB	1026	54	350	329	293	65	352	404	417
5	EDB	238	40	79	79	40	40	83	119	123
	TOTAL	5582	1314	1259	1504	1505	1188	1546	2573	2734

Against the target of 1259 villages for financial year 2013-14, 1546 villages were covered by the FIP Participating banks upto 31st March 2014 constituting **123%** of the allocated target for the year.

All FI Participating Banks had a cumulative target of **(1314+1259) = 2573** villages to be accomplished by the end of March 2014, against which the banks have covered **2734** villages upto 31st March 2014, which is **106%** of the target.

Of the total 2734 villages covered by FIP Participating Banks upto 31st March 2014, J&K Bank has covered 1696 villages constituting 62% of total progress achieved while SBI with 390 villages (14%), PNB with 108 villages (4%), JK Grameen Bank with 417 villages (15%) and Ellaquai Dehati Bank with 123 villages (4.50%) are the other FIP Participating banks.

Of the total 2734 villages covered under Phase-II, banking facilities to 133 unbanked villages were provided by establishing regular brick and mortar bank branches, 2436 villages through BC Model and remaining 165 villages through other modes like mobile banking vans.

From the table given above, it is observed that all the banks have surpassed the respective allocated targets as on 31st March 2014 except **Punjab National Bank which shows a shortfall of 35 centers/ villages** to achieve the target of 143 centers as at the end of the FY 2013-14 under review. The detailed district-wise/ bank-wise progress as on 31.03.2014 is given in [Annexure-A](#).

Action taken on actionable points of previous meeting of Steering Sub-Committee held on 15th January 2014 at RBI, Regional office, Jammu.

Name of the Bank/Govt. Deptt	Decision taken by the forum	
PNB	Under Phase-II of FIP while all other banks have performed well Punjab National bank has lagged behind by achieving just 54% of the target as on 31 st December 2013. The forum expressed concern over the poor performance of Punjab National Bank under Phase-II of FIP and bank was advised to improve its position. The representative of Punjab National Bank attributed the low performance of bank in Phase-II of FIP to the busy schedule of the bank with switching over to new online banking solution. He, however, assured the forum that bank will cover at least 120 villages against the target of 143 village's upto 31 st March 2014.	On reviewing the performance as of 31 st March 2014 in 93 rd meeting of J&K SLBC it was observed that PNB has not achieved the targets. The representative of PNB may please apprise the forum the latest position.
EDB	On the issue of services being provided by EDB to most of covered villages by Mobile Vans, the Regional Director, RBI stated that providing banking services to the allocated villages by EDB is not a sustainable banking solution and that the bank should look for other permanent banking alternatives to cover these villages. The representative of EDB assured the forum that all the villages will be covered by fixed locations (BC model) by 31 st March 2015.	The representative of EDB may give further progress in the matter

Forum is requested to deliberate the issue.

Agenda Item No. 02

A) 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. SBI has also operationalized FLCs in all its 10 allocated districts. The achievements during FY 2013-14 are given hereunder:

Name of the Bank	Ach. For the quarter (FY 2013-14)	No. of Outdoor activities undertaken during the Quarter/FLC camps conducted	No. of persons availing indoor services	No. of persons availing outdoor services	Total No. of persons availing Indoor/Outdoor Services(2+3)	Out of (4) persons provided Credit Linkage	Out of (5)No. of persons who started their ventures
		(1)	(2)	(3)	(4)	(5)	(6)
J&K Bank	Q1	137	1108	16996	18104	NA	NA
	Q2	158	2512	13980	16492	NA	NA
	Q3	207	3617	17914	21531	2063	1861
	Q4	131	2497	10243	12740	1895	1460
Total		633	9734	59133	68867	3958	3321
SBI	Q1	175	3444	5857	9301	NA	NA
	Q2	56	731	1956	2687	NA	NA
	Q3	76	1140	4761	5901	502	408
	Q4	59	816	3773	4589	118	80
Total		366	6131	16347	22478	620	488
Grand Total		999	15865	75480	91345	4578	3809

- A total of 91,345 persons have been provided indoor and outdoor services by 22 FLCs during the FY 2013-14.
- J&K Bank has provided indoor services to 9,734 persons during the FY 2013-14.
- SBI has provided indoor services to 6,131 persons during the said period.

- J&K Bank has provided outdoor services to 59,133 persons in 633 outdoor awareness camps conducted by it during the FY 2013-14.
- SBI has provided outdoor services to 16,347 persons in 366 outdoor awareness camps conducted by it during same period.
- The activities undertaken by all the 22 FLCs (both indoor and outdoor) during the **2nd half of FY 2013-14** have facilitated credit linkage to **4,578 entrepreneurs** out of which **3,809 entrepreneurs** have established their business ventures.

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

Financial Literacy 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. 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 their Districts and submit the same for review in SLBC meetings.

Six banks viz. J&K Bank, SBI, PNB, EDB, JKGB & ICICI Bank have submitted progress to the SLBC Secretariat in this regard.

The issue also came up for discussions in the meeting of all Lead District Managers of J&K State taken by President (SLBC, J&K Bank) on 28th of April 2014 wherein the reluctance of the rural branches of the banks in holding at least one Financial Literacy Camp during a month in terms of RBI guidelines came up for discussions. After threadbare discussions over the issue the forum interallia emphasized that the controlling offices of the banks to sensitize all their rural branches operating in J&K State to comply with the said regulatory guidelines. The decision in this regard stands already circulated among the controlling offices of the member banks.

The Bank-wise position of the Financial Literacy Camps conducted by their rural branches during Q4 of FY 2013-14 is given hereunder:

S. No	Name of the Bank	No. of Rural Branches as on 31.12.2013	NO. of FL Camps required to be conducted	No. of FL Camps Conducted during Q4 of FY 2013-14	Persons benefited
01	JK Bank	385	1155	388	16041
02	SBI	72	216	119	7451
03	PNB	32	96	113	3326
04	JKGB	163	489	105	8515
05	EDB	101	303	100	3265
06	ICICI Bank	05	15	09	56
	Total	758	2274	834	38654

A total of 758 rural branches of six banks should have conducted 2274 Financial Literacy Camps during the quarter @ one camp per rural branch per month as per RBI guidelines. The progress is quite unsatisfactory and very low at 37% of the target.

The Bank-wise/ district-wise consolidated position whereof is given in [Annexure-B1](#).

Action taken on actionable points of previous meeting of Steering Sub-Committee held on 15th January 2014 at RBI, Regional office, Jammu.

Name of the Bank/Govt. Deptt.	Decision taken by the forum	
All Banks	<p>On reviewing the performance made by the rural branches of the individual banks in conducting the monthly financial literacy programmes, it was observed that performance of PNB, JKGB & EDB in conducting the monthly financial literacy programmes was dismally low when compared with the size of their branch network in rural areas.</p> <p>The representative of PNB acknowledged that bank has not conducted requisite number of financial literacy programmes considering the number of their rural branches in J&K State but at the same time he attributed the same to non-availability of Financial Literacy Material.</p>	<p>On reviewing the performance as of 31st March 2014 in 93rd meeting of J&K SLBC it was observed that very less number of rural branches have conducted the Financial Literacy Camps.</p>

The forum may deliberate the issue

Standardized Financial Literacy Material-Printing & Distribution

Reserve Bank of India, Central Office, Mumbai vide Circular RPCD.FLC.No.7641/12.01.018/2012-13 dated January 31, 2013 advised Comprehensive Financial Literacy Material comprising of Financial Literacy Guide, Financial Diary and 16 No. of Financial Literacy Posters, to be used as a standard curriculum during Financial Literacy Camps to be organized at least once in a month by the rural branches of banks and Financial Literacy Centres as also for other Financial literacy related activities. SLBC was directed to assess the requirement for banks and other organizations like schools, colleges, Training Colleges etc. and arrange for distribution of the same to all concerned. As per RBI guidelines, the expenses incurred towards printing and distribution of the above Financial Literacy Material was to be claimed from the Financial Inclusion Fund managed by NABARD.

Accordingly, in pursuance to the guidelines issues by Reserve Bank of India the Financial Literacy Material (i.e. Financial Literacy Guide, Financial Diary and Financial Literacy

Posters) was printed in three languages viz English, Urdu and Hindi for use at Financial Literacy Camps being organized by Financial Literacy Centers and rural branches of the banks. A sufficient quantity of the said Literacy material has been distributed among the Financial Literacy Camps and rural branches of the banks through Lead District Managers.

The Financial Literacy Material was launched formally by Hon'ble minister for Finance & Ladakh affairs, J&K State Jenab Abdul Rahim Rather in 93rd Meeting of J&K SLBC held on 22nd May 2014 at Srinagar

Agenda Item No. 03

- I) Setting up of Rural Self-Employment Training Institutes (RSETIs) in J&K State
- II) Allotment of land by State Govt. for creating permanent infrastructure for the RSETIs:

In terms of Gol, 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.

J&K Bank and SBI have operationalized RSETIs in all their respective Lead Districts of the State.

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

Performance of RSETIs in J&K State during FY 2013-14:

S.No	Name of Sponsoring Bank	No. of Districts assigned for setting up of RSETIs	No. of RSETIs set up in J&K State	Total No. of persons trained during 2012-13	Total No. of persons trained during the FY 2013-14					persons provided Credit Linkage		No. of persons who started their ventures	
					Q1	Q2	Q3	Q4	Total	Out of (7)	Out of (8)	Out of (10)	Out of (11)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	J&K Bank	12	12	2349	618	1063	1905	1913	5499	343	362	264	362
2	SBI	10	10	1705	422	331	439	597	1789	33	79	21	64
	TOTAL	22	22	4054	1040	1394	2344	2510	7288	376	441	285	426

- A total of 7,288 persons were trained in all the 22 RSETIs during FY 2013-14 against the 4,054 persons trained during FY 2012-13; YOY increase of 80%(3234 persons increase).
- J&K Bank has provided training to 5,499 persons in its 12 RSETIs during FY 2013-14 against the 2,349 persons trained during the FY 2012-13; YOY increase of 134%(3150 persons)

- **SBI has provided training to 1,789 persons in its 10 RSETIs during FY 2013-14 against the 1705 persons trained during the FY 2012-13; YOY increase of 4.92%(84 persons).**
- **Average number of persons trained per RSETI during FY 2013-14 in respect of J&K Bank comes to 458 persons and in case of SBI the same is 179 persons.**

In 91st Meeting of J&K SLBC held on 16th December 2013 the House decided to put in place a proper tracking system for having a complete database on the number of persons, who after attending the training camps conducted by RSETIs actually avail financial assistance from banks to start their own business ventures.

Accordingly, the SLBC Secretariat has compiled the data and it is to inform that:

- **J&K Bank has provided credit linkage to 705 persons out of 3,818 persons trained during Q3 and Q4 of FY 2013-14. Out of 705 persons to whom credit has been provided 626 have started own business establishments.**
- **SBI has provided credit linkage to 112 persons out of 1,036 persons trained during Q3 and Q4 of FY 2013-14. Out of 112 persons to whom credit have been provided 85 have started own business establishments.**

Action taken on actionable points of previous meeting of Steering Sub-Committee held on 15th January 2014 at RBI, Regional office, Jammu.

Name of the Bank/Govt. Deptt.	Decision taken by the forum	Observations
SBI	On the number of persons trained in RSETIs managed by SBI, President (LBD/SLBC) Mr. S. K, Bhat, stated that SBI should pay focused attention towards increasing the number of beneficiaries in the RSETIS managed by it	On reviewing the performance as of 31 st March 2014 in 93 rd meeting of J&K SLBC it was observed that J&K bank has trained 5499 persons in its 12 RSETIs during FY 2013-14 as compared to 2349 persons trained during FY 2012-13 i. e growth of 134% YoY . SBI in its 10 RSETIS has trained 1789 persons during FY 2013-14 compared to 1705 persons trained during FY 2012-13 indicating YoY growth of just 5%
Rural Dev. Deptt. J&K Govt.	On the issue of low sponsorship of cases by the Government, President (LBD/SLBC) stated that the concerned State Government Department should come forward and enhance the sponsorship of persons to the RSETIs.	Sponsorship of cases to the RSETIs managed by SBI needs impetus.

ii) **Status regarding allotment of land by State Government**

Status of land to J&K Bank RSETIs-Position as on 31.03.2014

S. No.	RSETI Name	Status	Latest Position (Description)
1	Baramulla	Land Identified, formal allotment awaited	Land has been identified at Kanispora, Baramulla measuring 5 kanals by District Administration. Formal allotment is awaited.
2	Anantnag	Land not identified yet	No piece of land has been identified as yet by District Administration. As reported by the Director of the institute he is pursuing the matter vigorously. However, in the inception a piece of land was identified by District Administration at Bon Deyalgam where during a joint inspection locals resisted that this piece of land is only left over of Kah-Charai(Grazing Land).
3	Kulgam	Land allotted/Possession taken by concerned RSETI	A piece of land measuring 6 kanals has been allotted at Chawalgam Kulgam by District administration, possession has been taken by concerned RSETI.
4	Pulwama	Land Identified, formal allotment awaited	Land measuring 8 kanals at Quil Pulwama has been identified by District Administration for the institute. However, formal allotment is still awaited.
5	Shopian	Land Identified, formal allotment awaited	Land identified by District Administration at village Sindoo Shirmal, near army school, measuring 5 Kanals under survey no:330 Min. Formal allotment is awaited.
6	Srinagar	Land Identified, formal allotment awaited	Land has been identified for institute at Iddgah Estate measuring 4 Kanals & 15 marlas. However, formal allotment is awaited.
7	Ganderbal	Land Identified, formal allotment awaited	A piece of land measuring 6 kanals under khasra no:237 min has been identified at Rakhi Harran. Formal allotment is awaited.
8	Budgam	Land Identified, formal allotment awaited	Land has been identified at Soibugh measuring 10 kanals by District Administration. Formal allotment is awaited.
9	Bandipora	Land allotted/Possession taken by concerned bank	Land has been identified at Ayatmullah, Bandipora measuring 6 kanals & 18 marlas under khasra no:776 min(2marlas) 807 min(6 kanals & 18 marlas) and allotted in favour of the Institute by the District Administration. Possession of the same has been taken by RSETI . Construction of building plan under process.
10	Kupwara	No alternative site has been identified yet	Land has been identified by District Administration at Gulgam Kupwara measuring 11 kanals & 3 marlas and allotted in favour of RSETI Kupwara. However, on demarcation/possession of land locals objected and disallowed the same. As per latest reports, no alternate site has been identified so far for the purpose.
11	Rajouri	Land Identified, Formal allotment awaited	Land has been identified at Kallar, Rajouri measuring 7 Kanals by District Administration. Formal allotment is awaited.
12	Poonch	Land Identified, formal allotment awaited	Land for RSETI has been identified at Panchayat, Jhullass. Formal allotment of land is awaited.

Status of land to SBI RSETIs-Position as on 31.03.2014

S. No.	RSETI Name	Status	Latest Position (Description)
1	Doda	Land Identified, formal allotment awaited	A fresh piece Land measuring 3 kanals, has been identified by Tehsildar for RSETI. The relative papers have been submitted by Tehsildar to Deputy Commissioner, Doda. The matter was discussed in DLRC meeting held on 30.12.2013 and Deputy Commissioner assured allotment of land at the earliest.
2	Jammu	Land Identified, formal allotment awaited	Land measuring 10 Kanals already identified at village Jandial, Teh. & Distt Jammu for RSETI. Director Rural Development, Jammu vide their letter no. DRDJ/P&S/RSETI/5917-35 dated 24.01.2014 requested PO DRDA to furnish the latest status of land identified for RSETI. No progress has been received as yet.

3	Kathua	Land Identified, formal allotment awaited	Land identified: The identified land belong to Irrigation department. Executive Engineer, Kathua recommended the case through SE Kathua to Chief Engineer, Irrigation & PHE. The file has been sent to Commissioner Secy. for further necessary action vide letter no. DDCK/CPO/2013-14/71(Banker)10086-10087 dated 20.12.2013 by Joint Director (P&S). Response is awaited.
4	Kargil	Land not Identified	Previously, the District administration has sanctioned Land measuring 10 Kanals 1 Marla at Kumbathang, Kargil on 30.11.2011 and subsequently transferred to Air Force for establishment of Air Base in Kargil. However, the matter was again brought into the notice of District Administration in DLRC meeting for consideration but alternate land is yet to be identified.
5	Kishtwar	Land not Identified	As reported by the AC Revenue, Kishtwar, the land identified earlier for SBI RSETI at Kishtwar has been found Shamlat and not eligible for allotment. The ADDC ,Kishtwar advised Director RSETI to follow up with AC Revenue in this regard. The process of Identifying alternative land for RSETI is yet under process.
6	Leh	Land Identified, formal allotment awaited	Land identified : District administration has proposed a piece of land measuring 6 Kanals in Khasra no. 3345 in village Saboo Teh & Distt Leh and the process of transferring land is under process. Further, Director RSETI has been advised to follow up with the District Administration.
7	Ramban	Land Identified, formal allotment awaited	Land identified at village Tringla & Rakhgarog but due to the preoccupation of the administration with the holding of parliamentary elections the formal allotment of land to the concerned bank is awaited.
8	Reasi	Land Identified, formal allotment awaited	Land identified : as informed by LDM, Reasi vide mail dated 31.12.2013 . DDC, Reasi has issued instructions to Assistant Commissioner (Revenue), on 30.12.2013 during DLRC meeting to issue possession letter for Site plan (Naksha) on priority basis,. No further progress conveyed.
9	Samba	Land Identified, formal allotment awaited	Land Identified : As informed by Director RSETI, Samba vide letter no. SBI/RSETI/SAMBA dated 30.12.13, 10 kanals of land under khasra no 676 at village Tapyal (Gagwal) and documents submitted to Div. Commissioner by Addl. DC , Samba for further necessary action,
10	Udhampur	Land Identified, formal allotment awaited	Land identified after joint visit of LDM Udhampur and Tehsildar and revenue official (patwari) settlement on 12.03.2014 and 19.3.2014. The relative papers for the allotment of Land have been sent to District Administration for authentication.

From the above table it is observed that:

- Possession of land in Districts of Bandipora and Kulgam has been given to the concerned Sponsoring Bank.
- Land has been identified by Government in another 16 districts but formal allotment has not been given to the concerned Sponsoring banks.
- Land has not been identified by Government in remaining 4 Districts viz Anantnag, Kupwara, Kishtwar and Kargil

The net summarized position is given hereunder:

Land allotted and possession given to banks	2 Districts
Land identified but formal allotment awaited	16 Districts
Land not identified yet	4 Districts

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

Forum is requested to deliberate the issue

Agenda Item No. 04

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

Strategy and guidelines on Financial Inclusion issued by GoI, 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.

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 then 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 Electronic Benefit Transfer (EBT) Scheme which envisages direct transfer of benefits under various Social Security Schemes and State Subsidies electronically into the accounts of beneficiaries without any manual intervention came up for discussions in 92nd meeting of J&K SLBC held on 10th March 2014 wherein the house was informed that the scheme has been implemented in six pilot districts of the State i.e Srinagar, Ganderbal, Jammu, Rajouri, Kargil & Leh in the first Phase and benefits under IGNOAPS have been transferred into the accounts of 25000 beneficiaries successfully.

Both J&K bank and Finance Department, J&K Government expressed optimism that the remaining 16 districts shall be covered under the EBT Scheme very soon and three more schemes of Social Welfare Department shall also be covered under the scheme.

J&K bank being the Leader Bank in all the 22 districts for implementation of EBT Scheme in the State has informed that the data validation in respect of remaining 16 Districts is under

process. It has also been informed that the bank has till date validated **70,049** beneficiary accounts out of the total **92, 565** accounts in respect of 17 districts including 6 pilot districts which stand already covered under the Scheme.

The IT Department, J&K Govt.,/J&K bank may inform further progress in the matter.

Forum is requested to deliberate the issue

Item No. 05

Strengthening of Lead Bank Office of State Bank of India

Convenor Bank, in the meeting of Steering Sub-Committee of J&K SLBC to monitor IT enabled Financial Inclusion, FLCCs & Credit Plus Activities held on 24th July 2013 at RBI Office Srinagar pointed out that State Bank of India has placed a single person to carryout the activities of its Lead Bank Office, and the same person is simultaneously discharging duties as Lead District Manager for District Jammu. Similar arrangements have been worked out by State Bank of India in some other districts also i. e., Leh, Kargil, Samba and Kathua, where activities of RSETIs and FLCs are simultaneously assigned to those persons who are functioning as Lead District Managers. It was observed that this state of affairs is bound to hamper the smooth functioning of both the offices. Most often the submission of data is getting inordinately delayed as a result of which the Convenor Bank is subjected to face lot of difficulties.

Accordingly it was decided that:

- **The State Bank of India shall suitably strengthen their Lead Bank Office and ensure to post sufficient staff in all their Lead District Offices, so that the lead bank activities are carried out smoothly and the delay experienced in submission of data to RBI, SLBC and other quarters is avoided. State Bank of India was directed to take action in the matter expeditiously and confirm the same to SLBC/ RPCD, RBI.**

The issue also came up for discussions in the previous meeting of Steering Sub-Committee held on 15th February 2014 at RBI, Regional office Jammu wherein Regional Director, Reserve Bank of India, Mr. K. K. Saraf expressed displeasure over the issue of deployment of single person by SBI to carryout the activities at more than one office. He cautioned the representatives of SBI to sort out the issue immediately so as to avoid criticism in future.

The representative of State Bank of India may apprise the forum the action taken in this regard.

Item No. 06

Any other issue with the permission of Chair

**

*