

Sub-Committee of J&K SLBC on Relaxation to Trade & Industry in J&K State

Agenda/ Background Papers

Reserve Bank of India after realizing the difficulties experienced by Customers/ Borrowers of banks in obtaining normal banking facilities in the State of Jammu & Kashmir due to abnormal situation extended some concessions/ relaxations to customers in the State, which was last revised vide their Circular No. BP.BC.77/21.04.012/2003-04 dated April 21, 2004 (Copy enclosed for ready reference).

The said package was initially extended for a period of one year only. Thereafter, the package has been extended on year-to-year basis after reviewing the position and on the basis of recommendations made by the Sub-Committee of J&K State Level Bankers' Committee (SLBC) on Relaxation to Trade & Industry. The last such extension for a period of two years was conveyed by Reserve Bank of India vide their Circular letter bearing DBOD.No.BP.BC.32/21.04.012/2014-15 dated August 14, 2014, advising that "the concessions/ credit relaxations to borrowers/ customers in the State of Jammu & Kashmir will continue to be operative upto **March 31, 2016** (Copy of the Circular letter is enclosed for ready reference).

As the extension in the period of the concessions/ credit relaxations to Trade & Industry in J&K State has expired on 31st March 2016, the Sub-Committee has to approach to the concerned authorities of RBI for grant of extension or otherwise in the said package in the State of J&K beyond 31st March 2016.

In view of the above, the forum is requested to deliberate the issue and consider recommending to RBI extension or otherwise of the said concessions/ credit relaxation to Trade and Industry in J&K State beyond **31st March, 2016**.

Encl: Three

*