

Agenda/ background papers

For

Meeting of Steering Sub-Committee of J&K SLBC to monitor flow of credit to Agriculture Sector

Dated: 13th December 2011
Time: 3.00 p.m.
Venue: J&K Bank, Zonal Office (Central),
 Rail Head Complex, Jammu

Background:

In terms of Gol, MoF vide communication dated 19.08.2011 have advised to convene a meeting of the SLBC and get the following Action Plan regarding flow of credit to Crop Loan based on the experience of Bank of Baroda in UP (forwarded by Gol/MoF) approved and set up a small group of all banks to meet almost each alternate day to review progress in the field.

Accordingly, the said Action Plan was approved by J&K SLBC in its 82nd meeting held on 5th September 2011. Minutes of the said SLBC meeting were circulated vide No.LBD/SLBC-82/2011-341 dated 19.09.2011, wherein the issue was also flagged to all member banks for necessary action:

Sl. No	Issues	Action
1	Finalization of a common format for crop loan which will be applicable to all banks	By SLBC Convenor in consultation with all other banks and State Government
2	Centralized printing of the format	Departments of Agriculture and the State Government and copies to be made available to each District Agricultural Officer
3	Assignment of a group of villages to various field functionaries for collection of application form for crop loan (This could include functionaries of rural development department, agriculture department, cooperative department, Panchayat department and sugarcane department, etc. to name a few.	Orders to be issued by State Governments and to be reviewed by DCC headed by the District Collector on a daily basis at least for two weeks.
4	Application to be submitted to each bank in whose service area the village falls.	DCC/ Banks
5	No bank to charge any fees for crop loan which include documentation fee, inspection, advocate, processing renewal	Banks to issue orders
6	Bank to sanction a permanent cash credit limit to be renewed each year on the verification of land holding. Since land records have been put online, this will be verified by the banks themselves.	Banks to issue orders
7	There will be no requirement of getting no dues certificate from other banks. It is the responsibility of other banks to inform the bank having the village in the service area to inform of any dues outstanding.	Banks to issue orders

In this regard application formats for grant of loans under Agriculture Sector/ Crop loan have been obtained from various banks operating in J&K State including Bank of Baroda (Convenors of SLBC in UP). The revised format based on common points of the applications forms of various banks has been prepared and is enclosed for being approved the house.

Pursuant to above, the jobs of finalizing a **common format for crop loan** and its centralized printing etc. as well as other action points mentioned in the aforesaid Action Plan has to be decided by the “**Steering Sub-Committees of J&K SLBC to monitor flow of credit to Agriculture Sector**” as desired by the Government of India, Ministry of Finance in their above referred to communication.

Encls: **Common Format**