

Minutes of Special Meeting of J&K UTLBC held on November 22, 2022

A Special Meeting of J&K UTLBC was held on **November 22, 2022 at SKICC Srinagar**. Honourable Minister of State, Ministry of Finance, Gol **Dr. Bhagwat Kishanrao Karad** presided over the meeting.

The list of participants is attached in **Annexure-A**.

In his welcome address, MD & CEO, J&K Bank (Convenor J&K UTLBC) welcomed all the participants and expressed his gratefulness to Hon'ble Minister **Dr. Bhagwat Kishanrao Karad** for showing his keen interest in banking system of J&K which he said is an encouragement for all of us.

MD & CEO, J&K Bank (Convenor J&K UTLBC) while welcoming **Dr. A.K Mehta, Chief Secretary, J&K Government** who joined the meeting from Jammu, appreciated his efforts for driving the economy of the UT towards attaining the envisaged goals by bringing efficiency and transparency in the system and creating avenues and encouraging Financial Institutions to choose UT of J&K as their destination for business and investments.

He stated that banks in J&K have enthusiastically participated in recently concluded Phase-4 of Back to Village Programme (B2V4), a flagship programme of J&K Government which envisages to involve government officials and banks in a joint effort to facilitate equitable growth through community participation, employment generation besides redressing public grievances.

He assured Central/ UT Government on behalf of banking fraternity that there will be no let-up in efforts in implementing various Government Sponsored Programmes aimed at entrepreneurial development, employment generation and poverty alleviation in Union Territory of Jammu & Kashmir.

Key highlights of the inaugural address by Hon'ble MoS, Ministry of Finance, Gol Dr. Bhagwat Kishanrao Karad

- Appreciated banks for their performance in credit delivery under various Government Sponsored/Self-Employment Schemes despite all the difficulties. Urged them to put in best efforts to strengthen digital ecosystem as well as effective implementation of Financial Inclusion initiatives in J&K.
- Impressed upon banks to expand outreach to poor and marginalized sections of the society and help them to avail benefits of various Government Sponsored schemes tailored to meet their economic needs.
- Congratulated Chief Secretary, J&K Government for UT Government's flagship Back to Village (B2V) Program which has proved very effective in reaching out to the common masses and in providing solutions to their socio-economic upliftment.
- Congratulated Public and Private sector banks for their commendable performance during the last two years that added to the economic growth of the Country.
- Expressed satisfaction over fairly good credit dispensation under PMMY along with low NPA percentages under various government sponsored schemes which is very low in comparison to other states/UTs across the country.

- Placed recognition on record for better average in branch/ ATM coverage and average account balance in J&K as compared to the National average.
- Expressed satisfaction over the successful implementation of various phases of Financial Inclusion Programmes envisaging to provide banking Touch Points especially in unbanked areas.
- Directed banks to improve presence in J&K for overall socio-economic development of the region.

After inaugural address of Hon'ble MoS, Dr. Karad, General Manager (J&K UTLBC) proceeded with Power Point Presentation on achievements of the financial sector in different areas of the economy of UT including improvement in banking sector during the last five years, progress made in enhancing financial inclusion and in saturating various Government Sponsored & Social Security Schemes in J&K.

After a threadbare discussion on agenda points, the following decisions were taken:-

AGENDA ITEM NO: SP.01

ACTION TAKEN REPORT ON THE ACTIONABLE POINTS EMERGED DURING THE VISIT OF HON'BLE FINANCE MINISTER, TO UT OF J&K ON 23RD NOVEMBER 2021

Hon'ble Union Finance Minister visited Union Territory of Jammu & Kashmir on 23th November 2021 and inter alia interacted with senior officers of RBI, NABARD and major banks operating in UT of Jammu & Kashmir.

The directions given by Hon'ble Finance Minister were reiterated by Chief Secretary J&K Government during previous UTLBC meetings of J&K and following decisions were taken:

SRL	ACTION POINT	DECISION TAKEN IN 8 th MEETING OF J&K UTLBC HELD ON OCTOBER 19, 2022	DECISION TAKEN IN SPECIAL MEETING OF J&K UTLBC
1	Special UTLBC to be convened and Public Sector Banks to present future Plan of expanding their foot print in UT of J&K. Public Sector banks to approach their Boards thereafter for seeking approval for expanding their activities in all the districts of UT of J&K. DECISIONS TAKEN IN 5TH UTLBC	Public Sector banks to expedite the operationalization of the planned branches and BCs and ensure that the envisaged plan is accomplished within the stipulated timeline (Action: PSBs)	The House was informed that out of the revised Expansion Plan of 38 Brick and Mortar branches and 295 BCs/ CSPs, Public Sector Banks have made 4 branches and 70 BCs/ CSPs operational till date. Hon'ble Minister while impressing upon the banks to increase their presence in J&K, took bank-wise review of the preparedness in rolling out of banking outlets in J&K

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	<p>The Chair reiterated the directions issued by Hon'ble Finance Minister and directed Public Sector Banks to expand their foot print besides scaling up their credit activities in J&K. The PSBs were directed to prepare the plan in this regard by 31st December 2021. (Action: Public Sector Banks)</p>		<p>as per the directions of Hon'ble Union Finance Minister. He directed Public Sector banks to ensure that the planned banking outlets are made operational within the stipulated timelines.</p> <p>IOB: Out of planned 4 branches one branch shall be made operational by 31st March 2023</p> <p>Canara Bank: Out of planned 10 branches , 3 branches shall be opened by 31st December 2022</p> <p>Bank of India: All the planned 3 branches shall be made operational by 31st March 2023</p> <p>Indian Bank: Out of planned 10 BCs, 3 BCs have been rolled out and remaining 7 BC locations shall be made operational by 31st March 2023.</p> <p>PNB: Out of planned 8 branches, 3 branches have been opened and remaining 5 branches shall be made operational by 31st December 2022</p> <p>Decision:</p> <ul style="list-style-type: none"> ➤ Banks to increase their footprints in J&Ks geography and ensure that no area/ village is left unbanked. (Action: All member banks) ➤ Public Sector banks to expedite the operationalization of the planned branches and

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			BCs and ensure that the envisaged plan is accomplished within the stipulated timeline (Action: PSBs)
2	NABARD to give roadmap for utilization pipeline under all schemes in UT of J&K and prepare projects for better utilization. DECISIONS TAKEN IN 5TH UTLBC The Chief Secretary asked NABARD to prepare a roadmap for utilization pipeline under all Schemes and prepare projects for better implementation by 31st December 2021. (Action: NABARD)	The house was informed that roadmap for utilization pipeline under various NABARD schemes has been prepared by NABARD and submitted to J&K Government on 31st December 2021.	The House was informed that roadmap for utilization pipeline under various NABARD schemes has been prepared by NABARD and submitted to J&K Government on 31 st December 2021. Decision: Noted
3	Each Bank has to bring greater presence of NBFC's/ MFI's they have tied up with elsewhere. DECISIONS TAKEN IN 5TH UTLBC Chief Secretary advised Public Sector Banks to initiate measures to bring more Non-Banking Financial Corporation's (NBFCs) and Micro Finance Institutions (MFIs), having business relations with them outside UT, to J&K. The PSBs were	The house noted that Public Sector Banks, except Bank of Baroda, have not till date submitted precise plans with timelines as directed by UTLBC during its Special meeting held on January 7, 2022. It was informed that Bank of Baroda is engaging three NBFCs i.e M/s Midland Micro Finance, M/s SV Credit Line Limited and M/s Ugro Capital to start operations in J&K by 31st Dec 2022. General Manager State Bank of India informed that bank is in the process of identification of NBFCs/ MFIs and the same shall be completed within 15 days. Decision:	The house noted that Public Sector Banks, except Bank of Baroda, have not till date submitted precise plans with timelines as directed by UTLBC during its Special meeting held on January 7, 2022. It was informed that Bank of Baroda is engaging three NBFCs i.e M/s Midland Micro Finance, M/s SV Credit Line Limited and M/s Ugro Capital to start operations in J&K by 31st Dec 2022. General Manager State Bank of India informed that

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	<p>directed to prepare the plan in this regard by 31st December 2021. (Action: Public Sector Banks)</p>	<ul style="list-style-type: none"> Public Sector Banks to expedite the submission of precise Plans with timelines and milestones, for bringing NBFC's/ MFI's to UT of J&K. (Action: All Public Sector Banks) J&K UTLBC to consolidate the plan to be submitted by Public Sector Banks and prepare the roadmap for bringing Non-Banking Financial Companies (NBFCs) and Micro Finance Institutions (MFIs) by Public Sector Banks to J&K, within the period of 15 days. (Action: J&K UTLBC) 	<p>bank is in the process of identification of NBFCs/ MFIs and the concrete plan for the same shall be ready by December 31, 2022</p> <p>Chief Secretary while expressing concern over the sluggish progress in rolling out of NBFCs/ MFIs apprised the Hon'ble Minister that in view of roll out of new industrial policy, NBFCs/ MFIs have a big role to play in J&K. He impressed upon PSBs to ensure greater presence of NBFC's/ MFI's in UT of J&K</p> <p>Decision:</p> <ul style="list-style-type: none"> Public Sector Banks to expedite the submission of precise Plans with timelines and milestones, for bringing NBFC's/ MFI's to UT of J&K. (Action: All Public Sector Banks)
4	<p>PNB to prepare Plan for ODOP (One District One Product) to be implemented in UT of J&K on the lines of Uttar Pradesh etc. For this J&K Government will provide list of products and framework for each district.</p> <p>DECISIONS TAKEN IN 5TH UTLBC</p> <p>While announcing that agricultural and</p>	<p>The House was informed that concept paper on ODOP finalized by PNB in coordination with Govt. of J&K, Jammu & Kashmir Bank and J&K Trade Promotion organization has been submitted to J&K Government on 15.12.2021.</p> <p>Chief Secretary observed that there has been no significant movement in implementation of ODOP scheme in J&K. He expressed the need to quicken the pace of the implementation of ODOP Scheme.</p> <p>Decision:</p>	<p>The house was informed that Financial Commissioner (Additional Chief Secretary) Agriculture Production Department, J&K Government chaired the meeting of the committee constituted vide Government order No. 1257-JK (GAD) of 2022 dated 18.10.2022 for preparation of actionable Export/ Financial Road map for "One District One Product" (ODOP) Scheme in J&K on November 2, 2022.</p>

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	industrial products for each district have been identified by J&K Government, the Chief Secretary directed Punjab National Bank to take lead in preparing the Plan under One District One Product (ODOP) programme by 15 th December 2021 in respect of the products already identified by Government. (Action: PNB)	The Chief Secretary constituted a committee to be headed by Principal Secretary, Industries & Commerce Department J&K Government with representatives from J&K Bank and State Bank of India as its members. J&K Bank shall prepare an actionable Export/ Financial road map for 'One-District-One-product' scheme for the 12 districts in J&K where it has lead bank responsibility, whereas State Bank of India shall prepare roadmap for the eight district where it has lead bank responsibility. The committee shall examine the plan which should be ready by 25th November 2022 . (Action: Principal Secretary, Industries & Commerce Department, J&K Government, J&K Bank and State Bank of India)	It was informed that actionable Export/ Financial road map for 'One-District-One-product' scheme will be rolled out shortly. Decision: Noted

AGENDA ITEM NO:SP.02

BACK TO VILLAGE -4 (B2V4) PROGRAMME:

The House was apprised that under Back to Village Programme Phase-4 (B2V4) of Government of Jammu & Kashmir a target of 15 cases per panchayat, aggregating to 64,095 cases to be sanctioned/ disbursed under various employment generation schemes, was assigned to the Banks. Banks have sanctioned loans to the tune of Rs.312.53 Crore in favour of 26,406 beneficiaries out of 42,048 applications sourced by them upto November 19, 2022

Hon'ble Minister of State for Finance while taking cognizance of the idea behind Back to Village Programme congratulated Chief Secretary, J&K Government for driving the Programme, which he said, has proved very effective in reaching out to the common people for providing solutions to their socio-economic issues.

Making important interventions during the meeting, Chief Secretary, J&K Government briefed the MoS about the ideation and objectives of various initiatives of the Government including Back to village Programme. He stated that idea behind Back to village programme was to saturate self-employment which he said is the major challenge before the Government. He said that J&K Government is committed to bring down the unemployment rate and the financial sector has a major

role to play in ensuring that the demand for self-employment achieves saturation in Jammu and Kashmir”

The Chief Secretary also apprised the chair about the UT Government’s upcoming “**My Town My Pride programme**” wherein the Government, banks and line departments shall work towards saturation of self-employment in the J&K.

Decision:

- **The Chair while appreciating the banks for performing exceptionally well in Back to Village Programmes advised them to clear the pending cases expeditiously and ensure that benefits are percolated to the last man at the bottom of the economic pyramid of the society.**

(Action: All member banks)

AGENDA ITEM NO:SP.03

PROGRESS UNDER ATMANIRBHAR BHARAT ABHIYAN & OTHER INITIATIVES

(A) SPECIAL CREDIT FACILITY FOR STREET VENDORS WITH AN INITIAL WORKING CAPITAL UPTO RS.10,000, Rs.20,000 and Rs. 50,000

The House was informed that upto 31.10.2022, out of 15,554 applications picked up by the banks from the portal,15,122 applications have been sanctioned and 14,576 applications have been disbursed Credit of Rs.10,000 each under the First Tranche.

Under Second Tranche 8,066 applications have been picked up by banks from the portal out of which 3,986 applications have been sanctioned and 2,615 applications have been disbursed credit of Rs.20,000 each.

Under Third Tranche, which started in June 2022, 87 applications have been picked up by banks from the portal out of which 64 applications have been sanctioned and 44 applications have been disbursed credit of Rs.50,000 each.

The Chief Secretary informed that Special Credit Facility for Street Vendors (PM SVANidhi Scheme) with an initial working capital of Rs10, 000 was saturated in J&K one year back and J&K’s performance under the scheme is rated amongst the best in the country however, the progress in 2nd tranche doesn’t seem to be satisfactory. He directed banks to expedite disbursement of 2nd instalment under PM SVANidhi to eligible beneficiaries.

Hon’ble Minister directed banks to give wide publicity to the scheme and ensure outreach to all the beneficiaries who have been covered under the first tranche, for their inclusion in the 2nd and 3rd tranche of the scheme. Stressing upon the need to increase the number of borrowers in PM SVANIDHI scheme, he said, the beneficiaries of the scheme can be guided and gradually upscaled to avail higher ticket loans under the PM Mudra Yojana. He further directed the banks to revisit the applications which have been earlier rejected on some grounds.

Chief Secretary, J&K Government directed banks to put in place the tracking mechanism and saturate all the vendors having availed 1st Tranche under PMSVANidhi Scheme, by December 31, 2022

Decision:

- **Banks to expedite disbursal of 2nd instalment under PM SVANidhi to the eligible beneficiaries.**
(Action: All Member banks)
- **Banks to give wide publicity to the scheme and ensure outreach to all the beneficiaries who have been covered under the first tranche for their inclusion in the 2nd and 3rd tranche of the scheme.**
(Action: All Member banks)
- **Banks to saturate all the vendors, having availed 1st Tranche under PMSVANidhi Scheme, under second tranche by December 31, 2022**
(Action: All Member banks)

(B) PROGRESS UNDER GUARANTEED EMERGENCY CREDIT LINE (GECL)-EXTENSION

General Manager, J&K UTLBC informed that banks operating in J&K have disbursed an amount of Rs.341.06 Crore in favour of 4,555 beneficiaries, Rs.113.04 Crore to 21 beneficiaries and Rs.3.23 Crore to 210 beneficiaries under GECL Extension Scheme 1.0, 2.0 and 3.0 respectively.

Decision: Noted

(C) MISSION YOUTH PROGRAMME OF GOVERNMENT OF J&K.

The House was informed that out of the six schemes approved by Mission youth, following schemes have been rolled out by J&K Bank:-

- 1) The Livelihood Generation Scheme for Youth-MUMKIN
- 2) Self-Employment Scheme for Women- TEJASWANI-
- 3) Sector Specific Schemes -a) Reimagining & Rediscovering the Paradise Scheme
b) Customized Livelihood Generation Scheme for Dental Professionals
- 4) Spurring Entrepreneur Initiative

Under various Mission Youth Schemes, J&K Bank has sanctioned credit of Rs226.84 Crore in favour of 3,521 beneficiaries up to November 10, 2022.

The Chief Secretary briefed the house about the salient features of Mission youth schemes of J&K Government and stated that these schemes are the most attractive schemes which have the potential to provide gainful employment to the youth. He expressed the need to cover large number of youth under these schemes which he said, will help to mitigate the problem of unemployment to a very large extent.

Decision:

- **Mission youth, J&K Government and J&K bank to coordinate their efforts and give wide publicity to the scheme so that a decent progress is envisaged by the end of current financial year.**

(Action: CEO Mission Youth & J&K Bank)

(D) PROGRESS UNDER OTHER INITIATIVES.

- (I) PM Formalization of Micro Food Processing Enterprises Scheme (PMFME Scheme):**
- (I) Agriculture Infrastructure Fund (AIF)**

General Manager, J&K UTLBC informed the House that under PMFME Scheme out of 455 applications uploaded on the Portal, 102 applications have been sanctioned and 84 applications are pending disposal.

Under AIF scheme out of 189 applications uploaded on the Portal, 24 applications have been sanctioned and 48 applications are pending disposal.

The performance under the schemes was rated as unsatisfactory.

The Chair expressed displeasure over poor performance of banks under the schemes despite being lucrative. He directed that Agriculture Production Department and banks to look for the impediments and find ways and means for improving the coverage and credit linkage under these schemes.

Hon'ble Minister while acknowledging the lead taken by J&K bank in all the initiatives and programmes aimed at financial empowerment, directed other major banks to come forward and play their role.

Decision:

- **Banks to ensure disposal of all the applications under the schemes within stipulated timeline.**

(Action: All Member banks)

- **While J&K Bank is performing well other major Banks operating in J&K to come forward and participate proactively in programmes / schemes aimed at employment generation and poverty alleviation.**

(Action: All major banks in J&K)

AGENDA ITEM NO: SP.04

REVIEW OF SECTOR-WISE/ BANK-WISE ACHIEVEMENTS IN LENDING TO PRIORITY/ NON-PRIORITY SECTOR UNDER ACP 2022-23-ACHIEVEMENT DURING HALF YEAR ENDING SEPTEMBER 2022:

Review of Sector-wise/Bank-wise achievements in lending to Priority/ Non-Priority Sector under ACP 2022-23 – as on September 30, 2022:

The House was informed that banks in UT of J&K have provided an aggregate credit of Rs22,541.45 Crore in favour of 7,46,141 beneficiaries against the target of Rs50,790.08 Crore for

16,51,877 beneficiaries in Priority as well as Non-priority sector under Annual Action Plan (ACP), 2022-23, registering an achievement of 44% in financial terms and 45% in physical terms.

Giving breakup of the lending, it was informed that against the target of Rs40,342.37Crore, the Priority Sector lending was Rs10,712.81 Crore, which represented an achievement of 27% in financial terms.

The Non-Priority sector lending on the other hand was Rs11,828.64 Crore against the target of Rs.10,447.71Crore, which represented a whopping 113% achievement in the financial terms during the first half of the current financial year.

The performance of banks in disbursement of credit during the first half year of FY 2022-23 was rated as un-satisfactory

Convenor J&K UTLBC and MD & CEO J&K Bank stated that the recently concluded Back to Village Programme (B2) in which banks have participated proactively in sourcing of applications and sanctioning and disbursement of credit will give boost to achieve the targets under Priority sector. He assured the house that banks will put in place concerted efforts to achieve the targets under Priority Sector by the end of financial year.

Hon'ble Minister stated that Jammu & Kashmir has the rich heritage of manufacturing and exporting the products which have universal acceptance. The export business has the enormous potential to promote the economy of UT and therefore it is the responsibility of all stakeholders to preserve and promote the export business. He urged upon the banks to exploit the potential under Export Credit Sector and lend committedly to the beneficiaries associated with the sector

Decision:

- **Banks to urgently improve lending in Priority Sector, which has remained Sub-Optimal.**
(Action: All member banks)
- **Banks to lend committedly to Export Credit Sector.**
(Action: All member banks)

AGENDA ITEM NO: SP.05

PERFORMANCE OF BANKS UNDER EMPLOYMENT GENERATION SCHEMES-POSITION AS ON OCTOBER 31, 2022

The House was informed that against the target of Rs752.14 Crore covering over 29,710 beneficiaries, banks operating in J&K have sanctioned Rs1,120.67 Crore in favour of 27,880 beneficiaries under various Employment Generation Schemes, i.e. PMEGP, NRLM, NULM, PMWMY, CCS for Artisans & Weavers and JKREGP. This included Rs831.53 Crore under PMEGP, Rs227.58Crore under NRLM, Rs13.96 Crore under NULM, Rs4.28 Crore under PMWMY, Rs22.81Crore under CCS for Artisans & Weavers and Rs20.51 Crore under JKREGP.

Hon'ble Minister while expressing satisfaction over the performance of banks in sanctioning of credit under various Employment Generation Schemes, expressed concern over the level of rejection/

return of cases which he said, are exceptionally high. He impressed upon banks and line departments of the Government to look into the reasons for rejection of cases under Government Sponsored schemes and come up with a viable solution to reduce the level of rejection of cases.

Decision:

- Banks and line departments of the Government to look into the reasons for rejection of cases under Government Sponsored schemes and come up with a viable solution to reduce the level of rejection of cases

(Action: Banks and Line Departments of J&K Government)

AGENDA ITEM NO: SP.06

(A) SCHEDULE CASTE / SCHEDULE TRIBE / OTHER BACKWARD CLASSES (SC/ST/OBC):

The House noted that a meagre amount of Rs0.55 Crore has been sanctioned by banks in favour of 61 beneficiaries under SC/ST/OBC scheme against the sponsorship of 122 cases

The position was considered by the House as unsatisfactory.

The hon'ble Minister directed banks to urgently increase lending to SC/ST/OBC to help them to improve their socio-economic conditions on sustained basis.

General Manager, J&K UTLBC while presenting the data on disbursement of credit to SC/ ST/ OBC community under other employment generation schemes, informed that an amount of Rs89.75 Crore has been disbursed to the 2,461 SC/ ST/ OBC beneficiaries by major banks under various other employment generation schemes upto October 31, 2022 during current financial year.

The house was informed that SC/ ST/ OBC beneficiaries get attracted to other schemes which are more lucrative and offer good amount of capital and interest subsidies.

Decision: Noted

(B) PROGRESS UNDER KCC SCHEME – UPTO 31.10.2022:

The House observed that 33,354 fresh KCCs (KCC Crop and KCC AH & F) involving an amount of Rs378.28 Crore were issued under Kissan Credit Card Scheme during the period 01.04.2022 to 31.10.2022. The total number of active KCCs as on 31.10.2022 stood at 9,49,127 with an outstanding credit of Rs6,629.61 Crore. 3,853 cases are pending with the banks for disposal.

Decision: Noted

**(C) FINANCE TO JOINT LIABILITY FARMING GROUPS (JLGs) OF “BHOOMI HEEN KISSAN”:
POSITION AS ON 30-09-2022**

The House noted that against the target of 4,388 JLGs fixed for FY 2022-23, banks have formed 660 JLGs upto 30.09.2022, out of which 587 JLGs have credit linkage with banks worth Rs938.42 Crore.

Decision: Noted.

(D) PRADHAN MANTRI MUDRA YOJANA (PMMY) - PROGRESS AS ON 11-11-2022

The House was informed that against the target of Rs4,843.44 Crore for FY 2022-23, banks have disbursed Rs2,919.60 Crore, constituting 60% of the target in financial terms.

The house observed that 30,338 beneficiaries, 83,400 beneficiaries and 14,279 beneficiaries have been covered under Shishu, Kishore and Tarun categories respectively upto 11.11.2022 of current Financial Year.

Hon'ble Minister stated that MUDRA is an important scheme launched by Government of India with the objective to provide financial assistance upto Rs.10 Lac without any collateral security to Micro and small businesses. He urged the banks to come forward and lend whole heartedly under the scheme.

Decision: Noted

(E) STAND-UP INDIA (SUPI) SCHEME:

It was informed that under Stand-up India Programme, against the target of 3,498 cases banks operating in J&K have disbursed an amount of Rs276.82 Crore in favour of 1,651 beneficiaries.

Hon'ble Minister took note of the sub-optimal performance of banks under the scheme and directed that each branch of the Scheduled Commercial bank should ensure to provide credit assistance to at least one SC/ST and one women borrower per year for setting up Greenfield Enterprise in manufacturing, services or trading sector.

Decision:

- **Each branch of the Scheduled Commercial bank should ensure to provide credit assistance to at least one SC/ST and one women borrower per year for setting up Greenfield Enterprise in manufacturing, services or trading sector.**

(Action: All Schedule Commercial Banks)

AGENDA ITEM NO: SP.07

A) OVERVIEW OF CREDIT SCENARIO AS ON 30.09.2022

General Manager, J&K UTLBC informed the House that as per the data received from the banks, the Credit Deposit Ratio in J&K has improved from 56.58% as on 30.09.2021 to 58.46% as on 30.09.2022, reflecting YoY growth of 3.32%.

The house observed with satisfaction the movement in Credit Deposit Ratio in J&K which depicts the improvement in financial activities taking place in UT. Banks were directed to further improve the lending to reach the CD Ratio of National average.

Decision:

Chief Secretary directed:

- **Banks to further improve their Credit Deposit Ratio especially the banks with CD Ratio below 40%.**

(Action: All member banks)

B) DISTRICTS-WISE CD RATIO

It was informed that all the district in J&K have CD Ratio above 40% except Jammu and Reasi districts with CD ratio recorded at 34.77% and 37.79% respectively as on September 30, 2022

The house was informed that due to the land compensation by Government in District Reasi the CD Ratio of the district has slipped below 40% as on 30.9.2022

The house while expressing dismay over low CD ratio of Jammu district, urged upon the lending institutions to increase their credit dispensation so as to achieve CD ratio of at least 60% across all the districts in the UT.

Decision:

- **Lending institutions to increase their credit dispensation so as to achieve CD ratio of at least 60% across all the districts in the UT.**

(Action: All Member Banks)

C) NON-PERFORMING ASSETS (NPAs) UNDER AGRICULTURE SECTOR, MSMES SECTOR AND PMMY (MUDRA) AS ON 30.09.2022:

D) NON-PERFORMING ASSETS (NPAs) UNDER MAJOR GSS:

The House observed that under Agriculture, MSME and MUDRA, the percentage of NPA as on 30.09.2022 is 9.73%, 10.34% and 4.15% respectively.

Under major Government Sponsored Schemes viz NRLM, PMEGP and NULM the percentage of NPA is 1.7%, 3% and 9.7% respectively.

Dr. Bhagwat Kishanrao Karad expressed satisfaction over the low NPA percentage under various Government Sponsored Schemes, which he said was much better in comparison to other states/UTs across the country.

Decision:

- **Banks to make efforts to bring the NPA level under all sectors to below 4%.**

(Action: All Member Banks)

(E) FLOW OF CREDIT UNDER CREDIT GUARANTEE SCHEMES FOR MSMES-AS ON 30.09.2022.

General Manager, J&K UTLBC informed the House that against outstanding credit of Rs19,198.83Crorefor 4,32,917 beneficiaries under MSMEs Sector, banks have covered 1,57,053 beneficiaries involving an amount of Rs.3,422.84 Crore under various Credit Guarantee Schemes of Gol for MSMEs, thereby covering 18% of the total credit portfolio in financial terms and 36% in physical terms.

Decision:

- **Banks to enhance the coverage of MSME loans under CGTMSE/ CGMFU/CGSSI/ Cover.**

(Action: All Member banks)

AGENDA ITEM NO: SP.08

FINANCIAL INCLUSION

- (i) Roadmap for opening of banking outlets in 104 identified villages having population over 5000, which are without a branch of Scheduled Commercial Bank:
- (ii) Setting up of Brick and Mortar branches in unbanked villages with population more than 3000.

The House was informed that out of total 104 identified villages, banks have covered 103 villages upto 30.09.2022 and 1 village is pending coverage in respect of Canara Bank.

The house was also informed that Department of Financial Services, MoF, GoI has identified 363 unbanked villages with population more than 3000 across the Country for opening of Brick and Mortar branches and in the matter SLBCs/ UTLBCs were requested to allocate the locations among the member banks for opening of branches and monitoring the progress thereof. Out of the total 363 locations, 10 locations have been identified in seven districts of UT of J&K. The J&K UTLBC has allocated the villages to J&K Bank (4 villages), SBI and PNB (2 villages each), HDFC bank and ICICI Bank (One village each) for opening of brick and mortar branches.

Hon'ble Minister while appreciating banks for 100% coverage of the unbanked villages by opening of banking touch points under National Strategy for Financial Inclusion Programme impressed upon them to cover remaining one village under roadmap of opening banking outlets in villages having population over 5000 expeditiously. He also directed banks to expedite the roll out of brick and mortar branches in 10 identified villages with population over 3000.

The Canara Bank has already informed that branch a at village Tulli District Reasi shall be made fully operational by December 31, 2022

The representatives of J&K Bank, SBI, PNB, HDFC bank and ICICI bank assured the Hon'ble Minister that branches shall be set up in the allocated villages as per the plan within the stipulated timelines.

Decision:

- **Canara Bank to saturate the village Tulli District Reasi with bank branch immediately**
(Action: Canara Bank)
- **J&K Bank, SBI, PNB, HDFC Bank and ICICI bank to expedite the roll out of brick and mortar branches in 10 identified villages with population over 3000.**
(Action: J&K Bank, SBI, PNB, HDFC Bank and ICICI Bank)

AGENDA ITEM NO: SP.09

FINANCIAL LITERACY INITIATIVES BY FLCs IN UT OF J&K:

The House noted that 31 Financial Literacy Centers (FLCs) operated by J&K Bank, SBI, PNB, JKGB, EDB and JKSCB in J&K have conducted **866** financial literacy camps against the target of **651** camps during the quarter ended September 2022. During the said period, **958** rural branches of banks operating in J&K have conducted 2,540 financial literacy camps.

Asserting that financial literacy is as important as education in general for financial inclusion, Dr Karad directed banks to increase awareness among the people about different loan schemes especially meant for lower strata of society so that the benefits are percolated to them.

Hon'ble Minister emphasized on sensitizing people in all panchayats, blocks and districts of J&K about benefits of various financial inclusion, social security and government sponsored schemes so that more and more people can take advantage of these schemes.

He informed that Union Government has parked special funds with NABARD to be utilized for financial literacy campaigns and directed Chief General Manager NABARD to provide a Financial Literacy Van to district Kupwara. He assured that all the districts in J&K shall be provided a dedicated Financial Literacy Van.

Chief General Manager NABARD requested the banks to approach the NABARD office at Jammu for the Financial Literacy Funds to be used for financial literacy campaigns.

Decision:

- **Banks to sensitize people in all panchayats, blocks and districts of J&K about benefits of various financial inclusion, social security and government sponsored schemes so that more and more people can take advantage of these schemes**
(Action: All member Banks)
- **Banks to approach NABARD for Financial Literacy Funds to be used for financial literacy campaigns**
(Action: All member Banks, NABARD)
- **NABARD to provide a dedicated Financial Literacy Van to district Kupwara to be used for Financial Literacy campaigns.**
(Action: All member Banks, NABARD)

AGENDA ITEM NO: SP.10

PERFORMANCE OF RURAL SELF-EMPLOYMENT TRAINING INSTITUTES (RSETIs)

- (I) **PERFORMANCE OF RSETIS IN UT OF J&K:**
- (II) **ALLOTMENT OF LAND BY GOVERNMENT FOR DEVELOPMENT OF INFRASTRUCTURE FOR THE RSETIs:**

The House noted that during the first two quarters of FY 2022-23 the RSETIs in UT of J&K have conducted 174 skill development programmes in which 3,602 persons were imparted training against the annual target of conducting 294 programmes and training to 7,768.

Allotment of Land by Government for creating infrastructure for RSETIs:

General Manager, J&K UTLBC informed the House that out of 20 RSETIs operating in UT of J&K, land has been allotted by the Government in 17 districts for construction of buildings and lease deeds have been executed in most of the districts. In respect of the remaining three districts i.e. Anantnag, Doda and Ramban allotment of land by the Government is under process.

Decision: Noted

AGENDA ITEM NO: SP.11

PROGRESS UNDER PRADHAN MANTRI JAN DHAN YOJANA (PMJDY) – ISSUANCE OF RUPAY DEBIT CARDS TO PMJDY ACCOUNT HOLDERS

Progress achieved by banks in having opened 26.78 Lac PMJDY Accounts in J&K upto 31.10.2022 was taken on record. It was observed that 19.07 RuPay Debit Cards have been issued by banks in favour of PMJDY beneficiaries, which constitute 71% of the total PMJDY accounts opened till 31.10.2022

During the review, Dr. Karad while appreciating the banks for having better average in branch/ ATM coverage and average account balance in J&K as compared to the National average directed them to deepen the financial inclusion within the UT to improve the average accounts per lac population, which he remarked, was less in J&K than the National average.

He impressed upon the banks to dedicate a day during the week for mobilizing the accounts under PMJDY scheme and ensure that no person eligible to open PMJDY account is left out.

Decision:

- **Banks to improve coverage of PMJDY Scheme and ensure to open PMJDY accounts for all eligible persons.**

(Action: All Member Banks)

- **Banks to increase issuance of RuPay Debit Cards to achieve 100% saturation.**

(Action: All Member Banks)

AGENDA ITEM NO: SP.12

**PRAGATI (PRO-ACTIVE GOVERNANCE AND TIMELY IMPLEMENTATION) MEETING:
REVIEW OF SOCIAL SECURITY SCHEMES – PMJJBY, PMSBY & APY:**

The House was informed that banks have enrolled 11,63,521 and 5,17,214 beneficiaries under PMSBY and PMJJBY upto 31.10.2022 respectively.

Under Atal Pension Yojana (APY), against the annual target of 96,830 enrolments for FY 2022-23, banks in J&K have sourced 21,696 accounts, taking the total number of APY Accounts sourced from inception upto 31.10.2022 to 1,38,043

Dr. Karad stated that social security is the welfare effort of the government and banks should contribute wholeheartedly in increasing social awareness with regard to the benefits of PMSBY, PMJJBY, PMJDY and APY schemes which provides financial protection especially to the vulnerable sections of the society.

Decision:

- **Banks to increase social awareness about the benefits of social security schemes.**

(Action: All Member Banks)

- **Banks to make efforts for saturation of PMSBY, PMJJBY, PMJDY and APY Schemes.**

(Action: All Member Banks)

AGENDA ITEM NO: SP.13

AADHAAR ENROLMENT AND UPDATION ACTIVITY IN UT OF J&K:

The House was informed that upto 11.10.2022, 1.20 Crore Aadhaar Cards have been generated in J&K, covering 89.06% of the projected population (2019) of J&K.

As regards seeding of Bank Accounts with Aadhaar, it was informed that 84% of the total 1.43 Crore Savings Bank Accounts in J&K have been seeded with Aadhaar.

Hon'ble Minister stated that linking of Aadhaar to the bank account is essential and urged banks to ensure seeding of all individual Saving Bank account with Aadhaar.

Decision:

- **Banks to complete the Aadhaar seeding of SB accounts expeditiously.**
(Action: All Member Banks)

AGENDA ITEM NO: SP.14

STATUS OF BUSINESS CORRESPONDENTS / BANK MITRAS IN UT OF J&K:

The House was informed that banks have engaged a total of 3,162 Business Correspondents (BCs)/ Bank Mitras, against which 2,302 BCs are active and Micro ATMS have been provided to 2,304 BCs while as 2,776 BCs have been provided AEPS (Aadhaar Enabled Payment Systems) devices.

The Chair expressed concern in respect of inactive BCs and directed the concerned banks to activate them immediately.

Decision:

- **Banks to ensure that all BCs are activated.**
(Action: Concerned banks)

Regional Director, Reserve Bank of India expressed gratitude to Hon'ble Minister of State for Finance for acknowledging the work done by banks, line departments of Government, regulators etc in providing the hassle free banking services and improving the socio economic structure in J&K. He stated that we have to develop as a Nation where every citizen should have decent income to lead a happy, comfortable and peaceful life like most of the developed countries and banks have a big role to play in realising this dream. Stating that unemployment is a problem and it is our social responsibility to come forward and help in mitigating this menace. He impressed upon the banks to ensure that last man in the queue must get the benefit of the various programmes and schemes of the Government meant for economic upliftment. He suggested that J&K Bank and State Bank of India being the major banks in J&K should adopt two aspirational districts of J&K and develop them as model districts. He stated that J&K has potential to be developed as best tourist destination like world most famous tourist destinations Switzerland and we are duty bound to realise the goal for the economic prosperity of the region. Quoting the saying of Mahatma Gandhi that **"India lives in Villages and unless villages develop India can never be prosperous"** Regional Director RBI impressed upon banks to increase their outreach to rural pockets and establish them as potential economic centres.

Chief General Manager NABARD thanked the Hon'ble Minister for acknowledging the efforts of the banks in improving the financial structure of UT of J&K. He stated that RRBs and Cooperative banks, having 25% share in the branch network but only 10% share in credit dispensation in J&K, needs to be recapitalized so that their financial health is improved. He said that despite limited number of NGOs working here in J&K, NABARD has succeeded in implementing various schemes for livelihood generation like formation of Farmers Produce Organisations (FPOs), Central Sector Schemes, water shed development programmes in J&K. He said that NABARD is also working for Financial Literacy and will be happy to extend support to banks in providing mobile vans, PoS machines, Micro ATMs for conducting financial literacy campaigns. He requested banks to workout district level requirements for carrying out financial literacy.

The meeting ended with a vote of thanks to the Chair.

Annexure-A
List of Participants
Special Meeting of J&K UTLBC held on 22.11.2022

<u>S.No.</u>	<u>Name</u>	<u>Designation /</u>	<u>Department/ Organization</u>
<u>In the Chair</u>			
1)	Bhagwat Kishanrao Karad ...	MoS, Finance ,	Government of India
<u>Convenor, J&K UTLBC:</u>			
2)	Baldev Prakash ...	MD & CEO,	J&K Bank
<u>Government of India</u>			
3)	Amit Meena ...	PS to MoS ,	Ministry of Finance, Gol
<u>Government of J&K</u>			
4)	Dr. A. K. Mehta (IAS) ...	Chief Secretary,	J&K Government
5)	Atal Dullo (IAS) ...	Financial Commissioner,	Agriculture Production Deptt/ Additional Chief Secretary
6)	Dheeraj Gupta (IAS) ...	Principal Secretary,	Housing & Urban Development;
7)	Sarita Chauhan (IAS) ...	Commissioner Secretary,	Labour & Employment
8)	Mandeep Kour ...	Commissioner Secretary,	RDD and PR
9)	Vijay Bhiduri (IAS) ...	Commissioner Secretary,	Revenue
10)	Raghav Langer (IAS) ...	Secretary, Planning,	Development & Monitoring
11)	S.L. Pandita ...	Director General, Codes,	Finance Department
12)	Afaq Ahmad ...	Additional Secretary,	Information Technology
13)	Shafqat Keen ...	Under Secretary,	Finance Department
14)	Manzoor Ahmad Qadri ...	Director General, Sericulture	Department
15)	Saloni Rai ...	Director Industries & Commerce,	Kashmir
16)	Mahmood Ahmad Shah ...	Director, Handicrafts & Handlooms	Department, Kashmir
17)	Chowdhary Mohd Iqbal ...	Director Agriculture (Kashmir)	
18)	Purnima Mittal ...	Director, Animal Husbandry,	Kashmir
19)	G R Mir ...	Director, Horticulture	Kashmir
20)	Imam Din ...	Director, Rural Development,	Kashmir
21)	Hakeem Tanveer Ahmad ...	Joint Director, Employment	Department
22)	Riyaz Ahmad Shah ...	CEO, Urban Development Agency,	Kashmir
23)	Ulfat Jakeen ...	MD, J&K Women's Development	Corporation
24)	Riaz Ahamad Bhat ...	Representative of	KVIC
25)	Rashid Ahmad Qadri ...	Dy CEO, KVIB	
26)	Waseem Ahad ...	Project Manager, JKEDI	
27)	Dr. M Maqbool Bhat ...	Dy Director, Mission Youth,	J&K
28)	Mushtaq Mattoo ...	State Director, RSETI	
29)	Arshid Majid Butt ...	DGM, J&K SC/ST/BC Dev. Corporation	
30)	Suhail Malik ...	Executive Officer, Urban Local Bodies,	Kashmir
31)	Dr. Abdul Latif ...	Asst. Director, CS office	
<u>Reserve Bank of India</u>			
32)	Kamal P. Patnaik ...	Regional Director for J&K,	
33)	Sandeep Mittal ...	General Manager, R. O. Jammu	
34)	Mitesh Sharma ...	Assistant General Manager	R. O. Jammu
<u>NABARD</u>			
35)	A.K Sood ...	CGM, NABARD, R.O. Jammu	
36)	Surinder Singh ...	DGM, NABARD, R.O. Jammu	

Convenor Bank (J&K Bank)

37) Syed Rais Maqbool	...	General Manager, J&K UTLBC
38) Narjay Gupta	...	General Manager (CBO)
39) Sunit Kumar	...	General Manager, Jammu Division
40) Ashutosh Sareen	...	General Manager, CCB
41) Imtiyaz Ahamad Bhat	...	General Manager, IT
42) Manju Gupta	...	Deputy General Manager (J&K UTLBC)
43) Rafi Ahmad Mir	...	Assistant General Manager (J&K UTLBC)
44) Aftab Shalla	...	In-Charge , GSS

Public Sector Banks

45) Ajay Kumar Jha	...	General Manager, State Bank of India
46) Gurbinder Singh	...	Regional Manager, State Bank of India
47) Rakesh Sharma	...	DGM, Punjab National Bank
48) P.K Dhar	...	AGM, Canara Bank
49) S.S Negi	...	Zonal head/ DGM, UCO Bank
50) Zahid Manzoor	...	Branch Manager, Bank of India
51) Rahul Mishra	...	Branch Manager, Central Bank of India, Srinagar
52) Prathiba	...	Branch Manager, Punjab & Sind Bank
53) Ashok Kumar	...	Dy. Regional Manager, Bank of Baroda
54) Sikrilal .VL	...	DGM, Indian Overseas Bank
55) Bhupinder Verma	...	Chief Manager, Indian Overseas Bank
56) Ravi Jain	...	Dy. Zonal Head, Bank of Maharashtra
57) Rati Kanta Mandal	...	Chief Manager, Indian Bank
58) Aaparhind Katyal	...	Manager, UCO Bank
59) Sandeep Kumar	...	Manager UCO Bank

Private Sector Banks

60) Vaibhav Kumar	...	Cluster Head, HDFC Bank
61) Wajeedha Tabassum	...	Cluster Head, HDFC Bank
62) Mir Furqaan Hassan	...	Manager. HDFC Bank
63) Javeed Ahmad Shah	...	Credit Manager, HDFC Bank
64) Mir Wasim	...	Regional Head, ICICI Bank
65) Altaf Hussain Dar	...	Branch Manager, ICICI Bank
66) Aamir Masoodi	...	Senior Manager, Axis Bank.
67) Mohd. Moin Shieikh	...	Cluster Head, Axis Bank
68) Shipale Verma	...	Asst. Manager, South Indian Bank Ltd.

Regional Rural Banks

69) Sanjay Gupta	...	Chairman, J&K Grameen Bank
70) Arshad-ul-Islam	...	Chairman, Ellaquai Dehati Bank
71) Mushtaq Ahmad Malik	...	General Manager, Ellaquai Dehati Bank

Cooperative Banks

72) Intikhab Hussain Dar	...	General Manager, Anantnag Central Cooperative Bank
73) Abdul Majid Manknoo	...	MD, Baramulla Central Cooperative Bank
74) Ravi Bajaj	...	General manager, JCCB
75) Shabana Buchh	...	Addl. MD, J&K State Coop. Bank
76) Mohammad Aslam Bhat	...	MD/CEO J&K SCARD Bank

India Post Payments Bank (IPPB)

77) Siddharth Mukherjee	...	Sr. Manager, IPPB,
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Insurance Companies

- 78) Mohd Ashraf Wani ... Branch Manager, LIC of India
79) Mariya Khan ... AM I/C Oriental Insurance Company Ltd.

Lead District Managers

- 80) Abdul Majid Bhat ... LDM, Srinagar
81) Nissar Ahmad Bhat ... LDM, Ganderbal
82) Farhat Manzoor ... LDM, Budgam
83) Imtiyaz Ahamad Khan ... LDM, Pulwama
84) Shariq Mehraj ... LDM, Anantnag
85) Farooq Ahamad Bhat ... LDM, Shopian
86) Parvez Rashid ... LDM, Kulgam
87) Javid Rashid ... LDM, Baramulla
88) Mehboob Allahi Khan ... LDM, Kupwara
89) Shabir Ahmad ... LDM, Bandipora
90) Sanjeev Kumar Bhasin ... LDM, Rajouri
91) Ashutosh Raj Koul ... LDM, Poonch
92) Abdul Rashid Sofi ... LDM, Ramban
93) Sajad Ahmad Beig ... LDM, Reasi
