

Government of Jammu and Kashmir
Finance Department
Civil Secretariat, Jammu/Srinagar

Subject:- Apportionment of Assets, Rights, Liabilities and posts of erstwhile State of J&K between the Union Territory of J&K and Union Territory of Ladakh.

Government Order No. 14 -F of 2021
Dated: 14 .01.2021

Consequent upon issuance of SO 339 notified on 30th of October, 2020 by General Administration Department, sanction is hereby accorded to the apportionment of Assets, Rights, Liabilities and Posts of erstwhile State of J&K between the Union Territory of J&K and Union Territory of Ladakh as per the following arrangements (*this consequential order is as per the figures as stood on 31.10.2019 and as per the recommendations of the Advisory Committee on apportionment of Assets & Liabilities of erstwhile Jammu & Kashmir*):

The following Companies/ Corporations and Entities pertaining to the domain of the Finance Department, 20% of the equity and 20% of the loans extended by the erstwhile Government of Jammu and Kashmir are hereby notionally/ temporarily transferred to the Union Territory of Ladakh.

- a. **Jammu and Kashmir State Financial Corporation.**
- b. **Jammu and Kashmir, Grameen Bank Limited.**

The immoveable assets of Companies/ Corporations and Entities mentioned above, located in the UT of Ladakh shall be transferred to an entity as and when it is set up by the UT of Ladakh as appropriate.

Further, the employees of the aforesaid two (02) Corporations posted in the UT of Ladakh or otherwise, shall be given the option to work in the UT of Ladakh or in any entity to be set up by the UT of Ladakh and based on such option their services



will be placed at the disposal of the UT of Ladakh or any entity designated by it.

These companies shall continue their operations for both UTs till and if transferred to a designated entity in UT of Ladakh.

The UT of Ladakh will have one representative on the Board of Directors of J&K Grameen Bank.

The exercise for seeking options and transferring staff of the Grameen Bank to the UT of Ladakh or to its designated entity shall be completed by next Board Meeting.

Jammu & Kashmir State Financial Corporation (JKSFC)

The following arrangements shall be made in J&K SFC for apportionment between UT of J&K and UT of Ladakh:

- There shall be a joint Finance Corporation for UT of J&K and UT of Ladakh created by renaming JK SFC as 'The Jammu & Kashmir and Ladakh Finance Corporation' under the provisions of section 3A of SFC Act, 1951.
- 20% of the equity and 20% of the loan extended by the erstwhile Government of J&K to the J&K State Finance Corporation is hereby apportioned in favour of UT of Ladakh.
- This Joint Corporation i.e. **Jammu & Kashmir and Ladakh Finance Corporation** will have one Director from Ladakh in its Board of Directors.

Arrangements for Jammu & Kashmir Bank Limited:

Following arrangements for Jammu & Kashmir Bank Limited is hereby also made as per the provisions of the SO 339 dated 30.10.2020 issued by the General Administration Department in furtherance of recommendations of Advisory Committee on Assets & Liabilities of erstwhile State of J&K as with reference to 31.10.2019:



- a. J&K Bank Ltd. shall continue its operations as a going concern in both the UTs.
- b. The UT of J&K shall continue to have majority shareholding in the Bank.
- c. 51% of the shareholding in the J&K Bank Ltd. shall remain with the UT of J&K. The remaining 8.23% shareholding in the J&K Bank Ltd. (approximately 13.89% as on 31.10.2019 of the existing shareholding of the erstwhile State of Jammu & Kashmir), is hereby transferred to the UT of Ladakh.
- d. One post of Director on the Board of the J&K Bank is hereby earmarked for the UT of Ladakh.
- e. A reasonable proportion of employees of the J&K Bank Ltd. shall be recruited from the UT of Ladakh, details of which shall be worked out by the Bank.

Immovable and Movable Assets inside Erstwhile State.

Apportionment of the Immovable and Moveable assets located inside the erstwhile State of Jammu & Kashmir is hereby also made as per the provisions of the said SO 339 as follows:

- i. All immovable assets belonging to the erstwhile Government of J&K, excluding those belonging to Corporations/ Boards/ Other entities, except where explicitly provided for, stand apportioned to the UTs of J&K and Ladakh respectively on an 'as is where is' basis.
- ii. All moveable assets belonging to the erstwhile Government of J&K, excluding those belonging to Corporations/ Boards/ Other entities, which are location specific such as office equipment, laboratory equipment, office supplies, records, etc, except where it is explicitly provided for, stand assigned on an 'as is where is' basis based on their locations in the UTs of J&K and Ladakh.

Apportionment of Movable Assets.

Apportionment of movable assets is hereby made notionally as follows:



- i. All unpaid liabilities/ bills shall be discharged, after due process/ scrutiny, by the respective UT where the works/ projects were executed or expenditure incurred.
- ii. Investments in capital works/ projects indicated in the Statement of Financial Assets under 'Other Capital Expenditure', amounting to Rs. 1956 crores stand transferred to the UT of Ladakh.
- iii. Funds and pension liabilities stand apportioned as required following the actual allocation of employees between the UTs of J&K and Ladakh.
- iv. Financial liabilities of Rs.2504.46 crores stand transferred to the UT of Ladakh @ 2% of the total liabilities.
- v. The Book value of capital assets of the erstwhile State of J&K are hereby transferred on a notional basis to the UT of Ladakh on the principle of 'as is where is' basis.

By order of the Government of Jammu & Kashmir.

**Sd/-
(Dr. Arun Kumar Mehta) IAS
Financial Commissioner,
Finance Department**

No.FD/Coord/82/2019-I

Dated: 14.01.2021

Copy to the:-

1. All Administrative Secretaries of J&K with the request that all unpaid liabilities/bills shall be discharged, after due process/scrutiny, by the respective UT where the works /projects were executed on expenditure incurred.
2. Joint Secretary, (J&K) Ministry of Home Affairs, Government of India.
3. Commissioner/ Secretary to the Government, GAD UT of Ladakh.
4. Chairman, Jammu & Kashmir Bank Limited with the request to workout the modalities and apportion the assets and liabilities of the Bank between the UT of J&K and UT of Ladakh on the same lines as mentioned in this Government Order and also workout the modalities to recruit a reasonable proportion of employees in the J&K Bank Limited from the UT of Ladakh.



5. Chairman, Jammu & Kashmir Grameen Bank with the request to workout the modalities and apportion the assets and liabilities of the Bank between the UT of J&K and UT of Ladakh on the same lines as mentioned in this Government Order.
6. Managing Director, Jammu & Kashmir and Ladakh Finance Corporation with the request to workout the modalities and apportion the assets and liabilities of the Corporation between the UT of J&K and UT of Ladakh on the same lines as mentioned in this Government Order.
7. Director General, Budget, Finance Department for necessary action.
8. Director General, Accounts & Treasuries, J&K for necessary action.
9. Director General, Economics & Statistics, J&K for necessary action.
10. Director General, J&K Funds Organization for necessary action.
11. Director, Archives, Archaeology and Museums, J&K.
12. Pvt. Secretary to Hon'ble Lieutenant Governor, J&K.
13. Pvt. Secretary to Chief Secretary J&K.
14. Pvt. Secretary to Financial Commissioner, Finance Department for the information of the Financial Commissioner.
15. Pvt. Secretary to Commr/ Secretary to the Government, General Administration Department.
16. Incharge Website, Finance Department.
17. Government Order file (w.2.s.c.)/ Stock file.



(Surinder Paul Sharma) KAS
Deputy Secretary to the Government
Finance Department