

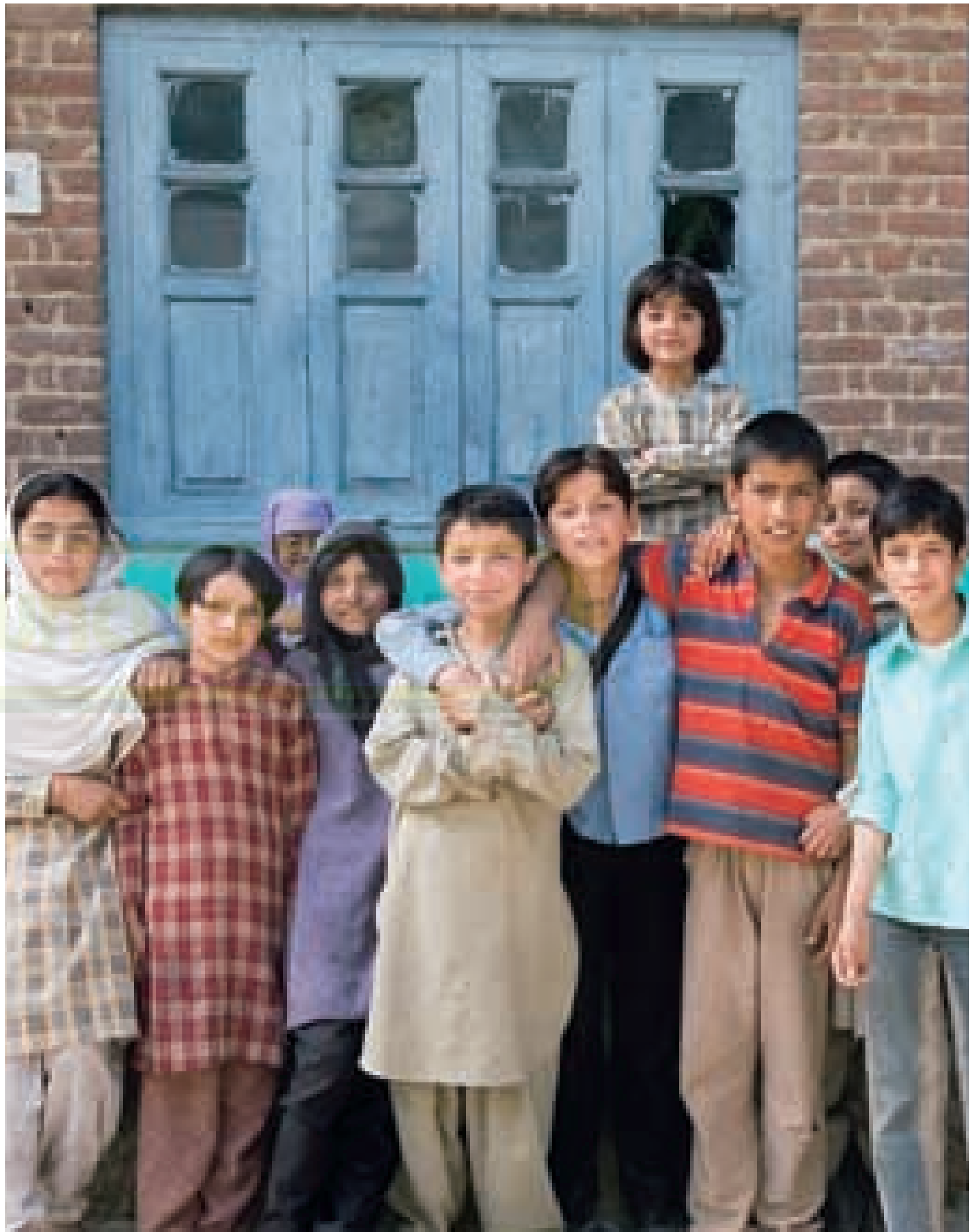
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# Serving to Empower



ANNUAL REPORT 2006-07





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# Changing Lives

For us at J&K Bank, empowerment is the process of enhancing the capacity of individuals or groups to make choices and to transform those choices into desired actions and outcomes.

Central to this process are actions which build both individual and collective assets, and improve the efficiency and fairness of the organizational and institutional context which govern the use of these assets.

J&K Bank is working on empowering people and demonstrating that people with lesser means can be reached and reached profitably.

People in J&K don't want hand-outs. They want access to resources. With a hand-out, you're a beneficiary. With a loan, you get dignity, and the respect that comes when someone is willing to make an investment in you, to trust that you will repay.

In this report we showcase some of the real life examples of empowerment in J&K by the J&K bank.



'I had no idea that there was any such scheme with the bank that provides loans to people like us who have nothing to offer as security'

## Designing Destiny

**Asif Majeed Khan**, a tall, jeans-clad man of just 22 years, has been working in the copper-works shop in Rajouri Kadal that his uncle runs from a house located in downtown Srinagar, for the last four years. A resident of Deviangam Hawal, Asif has mastered Kandkhari (an art of engraving different kinds of shapes on copperware), which he does with considerable speed and surprising accuracy. Sitting on his haunches in a small tin shed, he works upon a copper vessel kept on a small round wooden support. There are several more in front of Asif that he will speedily tackle in the next half an hour. Meantime Asif's uncle and cousin join him, taking a piece each from the pile.

Son of a driver, Asif candidly admits that his lack of interest in studies, resulted in him join the copper works even before he completed his secondary school. This work fetched him a meagre Rs 150/- per day, not enough to help his father support a family. The idea of working on daily basis would always bother him. He says 'The money I made working at my uncle's workshop was not enough to support my father who works as a driver. It would be all the more difficult once I have my own family.'

Trying to do something on his own, Asif was looking to borrow money from relatives and friends. 'Till then,' he says, 'I had no idea that there was any such scheme with the Bank that provides loans to people like us who have nothing to offer as security.'

He was identified for financial assistance under the micro-finance initiative of J&K Bank by a sales manager of the Bank because, 'I found him hard working, honest and upright and recommended his case for financial assistance.' Given a cash credit facility of Rs 50000/- through the Rajouri Kadal branch in January 2007, Asif invested the loan amount in purchasing raw material for copperware.

So how has all this made a difference in Asif's life? 'Having been in the business for only six months, today in addition to my own Rs 150/- for Kandhkari work, I have also started getting returns on the investments I have made, which has almost doubled my income,' acknowledges Asif. This has not only improved his financial position at home, but has also made him confident enough to dream big about a separate shop one day. Finding the work lucrative enough, he has also involved his younger brother in it.

Asif readily admits that all this would not have been possible, but for the help he received from J&K Bank. Initially hesitant to avail the loan for fear of not being able to repay it, Asif now looks forward to liquidating his present loan quickly so that he can avail another one. He believes that 'This is the only way people like us can grow and J&K Bank is the only hope for our growth.'

'I feel proud of myself and regret the days I wished to become a doctor. I had never dreamt that I would do something that will bring me such laurels. The best thing about it is that it is a job-generating enterprise. I can provide employment to people'

# The Flowering Entrepreneur

In a greenhouse brimming with blooms, she gracefully tends the plants with the ease of long practice. Slim, confident and poised she looks after them like a mother tending her children, touching the leaves, feeling the buds and plucking out the weeds.

**Rubeena Tabasum**, a middle-class Kashmiri woman from Chadoora, Budgam is the maiden recipient of the J&K Bank's 'Women Entrepreneur Award'. Although hailing from a backward village, strong-willed Rubeena managed to turn the tide and realize her dreams.

Nurturing a desire to join the noblest profession on earth she met with failure. 'As a child I wanted to become a doctor. But I could not qualify in the exams,' says Rubeena. Married at an early age, she didn't let things get her down. 'I wanted to make a difference and do something worthwhile in life. I was not content with doing household chores only'. Luckily her husband and in-laws shared her thinking, supporting her efforts to move ahead and leave a mark. Rubeena completed her graduation through a correspondence course.

'A girl can only think of becoming a doctor or a teacher here or just look for a government job. Her domain is limited,' says Rubeena. Weighing her options and domestic compulsions, she decided she would tread a different path. When opportunity knocked at her door she was ready for it. A chance radio programme on commercial floriculture by an entrepreneurial institute gave her an idea. She joined the institute for training.

Soon she started a venture of cut flowers, setting up a unit for cultivating carnations under controlled conditions of temperature and humidity. Finance being a constraint, she turned to her family for support. 'Initially I took some help from my family. I took the land of my in-laws on lease but I needed more money to set up the unit. I then turned to J&K Bank for support'. With the loan from J&K Bank there was no looking back for her.

On the path to becoming a successful entrepreneur, she took it as a challenge to strike a balance between business and home. 'I make it a point to spend a lot of time with my kids. When it comes to my kids there is no concession. I have to give them the

time they need. Likewise a portion of my time is dedicated to business,' she asserts.

For Rubeena the challenges were many and supporters, outside her family, few. 'People here, especially in rural areas don't accept a businesswoman. There are no solutions for such problems. The only way to solve them is to face them. You have to move ahead by pushing them to the limit'. Taking strength from her better half, who has been 'a pillar of support all through', she managed it all.

Starting initially with green houses for carnations in various colours, Rubeena quickly diversified once she realized the market potential. Today five green houses of carnations, lilies from Holland under shade nets, and an open field of Gladioli are in place. Her business is flourishing. The market for cut flowers is huge, especially outside the state where flowers are used on every occasion be it marriages, parties, functions or funerals. This year she has set up shade nets for lilies and has plans for cultivating aromatic and medicinal plants. For this, she has already started a nursery of lavender plants, that grows in hilly areas only.

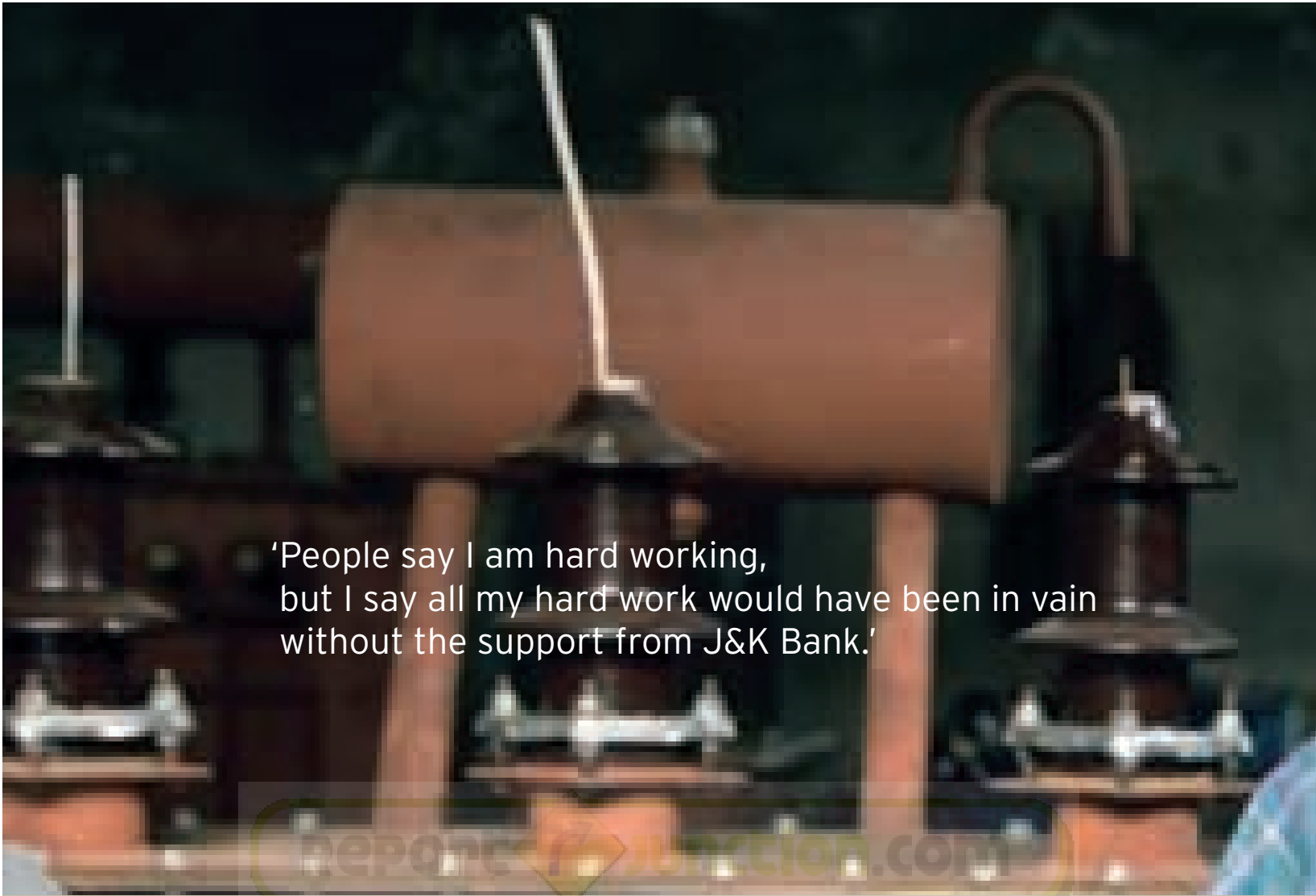


Citing lack of awareness about entrepreneurial opportunities as a reason for growing unemployment she points out how she has been able to generating jobs for peasants. 'I feel proud of myself and regret the days I wished to become a doctor. I had never dreamt that I would do something that will bring me such laurels. The best thing about it is that it is a job-generating enterprise. I can provide employment to people.' Today she has five full-fledged employees besides a number of casual labour that she hires from time to time.

The ability to provide employment to people gives her deep satisfaction. 'There are many people who are so poor. I want to help them in earning their living. The traditional crops grown here are not so income generating. People don't get much benefit from them. I want to diversify their pattern of cultivating crops.'

An inspiration, especially to women, she says a woman can do miracles provided she is talented and courageous enough. Her ideology is that one should not just think of ones own employment but instead dream big of employing others as well. From being unemployed to employing others Rubeena has come a long way.





'People say I am hard working,  
but I say all my hard work would have been in vain  
without the support from J&K Bank.'

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## Electrifying Success

Thank God for what I am today. I remember times when I could not afford even two meals a day'. That is how **Abdul Rahim Ahangar**, a tall, slender, bearded man, sums up the achievements of the last 50 years. A resident of village Sirhama in Anantnag, Abdul Rahim owns a transformer-manufacturing unit M/s Kashmir Electricals, at Bijbhera Industrial Estate, in Anantnag. A secondary school pass out, Rahim has been repairing electrical goods for the last thirty years. He recalls the time when he started working as a casual labourer with the Power Development Department in the early 1970's for Rs 3/- a day. Not able to make ends meet, he often went to bed without food. Later, he turned down the offer of a permanent job, 'There I was to serve tea to bosses and work at their homes', he laughs.





He then joined a workshop and worked as a mechanic for a few years before starting his own workshop for repairing electrical items. All this did not come easy, for he has no formal training and is self-taught, having spent hours poring over engineering books, which for some one with only an elementary school education was quite a challenge.

After a few years, Rahim came up with the idea of setting up a transformer manufacturing unit and approached the District Industrial Centre, Anantnag for assistance. Considering the viability of the project and Rahim's obvious commitment, he was allotted some land at the Industrial Estate, Bijbhera and his case was recommended to the J&K Bank's Bijbhera branch for financial assistance. The Bank after its usual checks, approved a working capital loan of Rs 2.00 lakhs besides a term loan of Rs 4.00 lakhs, in 1996.

Today, Rahim enjoys a working capital of Rs 10 lakhs, an indication of his growth. He pays around

Rs 50000/- as salary to his 10 employees and has involved his younger brother and son Gulam Nabi in his unit. M/s Kashmir Electricals manufactures around 50 transformers a year, which are supplied to the PDD. Lately, they have also started manufacturing servo stabilisers and panel control boards. Taking pride in the equipment he has recently purchased, Rahim discloses, 'People say I am hard working, but I say all my hard work would have been in vain without the support from J&K Bank.'

Having come this far, Abdul Rahim continues to strive, studying books on manufacturing of electrical appliances. His vision is to make Kashmir Electricals a state-of-the-art manufacturing unit for all kinds of electrical equipment. 'Of course all this is achievable only with the support of J&K Bank which I am sure will come as and when required,' he says optimistically.

# Fruits of Finance

Lean, vocal, and bearded, **Mohammad Abdullah Khan** looks a decade younger than he is. Modestly clad in a neat khan-dress under a black waistcoat, he is one of the most prosperous fruit-businessmen of village Hanjoora, located seven kilometres away from Chadoora area in Budgam District.

Not long ago, living in a joint family, he had to shoulder all the responsibilities of his home and hearth. Being the eldest son of family was both a financial and emotional challenge. The ongoing turmoil added to his anxieties. 'I continued with my traditional fruit growing that would fetch me just enough to meet the basic needs of my family. The future of our children appeared bleak and this hung heavily on us; soon I began to feel disgusted with my plight.'

At this point, the branch manager of J&K Bank, Chadoora advised Khan to avail the cash/credit facility on his current account as that showed better business prospects. Khan, after being convinced of the potential of his fruit orchards, availed the c/c limit of Rs 3 lakhs. There was no looking back after that. Today, Khan has emerged as one of the local heavyweights in the fruit business. His c/c limit has been enhanced to Rs 30 lakhs and he has added 20 more kanals to double his land holdings. He provides 24,000 working days to the locals when the fruit

season is at its peak. He exports more than 45,000 boxes of fruit worth Rs 1.20 crores annually to fruit-markets in Delhi, Mumbai, Bangalore, Ahmedabad, Ludhiana, Hyderabad, among others.

His eldest son, who has completed his MBBS but is yet to find the job, helps him in his fruit business. The second one is pursuing his graduation and Khan doesn't want to disturb him till the completion of studies that once seemed impossible. He has married off two daughters and the third one has completed her higher secondary education.

Counselled to take the situation head-on, he has successfully turned the tide of financial depression his family once faced. He attributes all his success to the caring advice and timely finance from what he calls 'JK Bank', a bond he forged more than two decades ago.

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