

Segment -1 (Background)

Pradhan Mantra Jan Dhan Yojana (PMJDY)

Commencement of Financial Inclusion Plan in India-Background

Financial Inclusion has always remained the focused area of the Government of India for promoting inclusive growth and bringing into the banking fold the people who are still financially excluded. The concept was first mooted by the Reserve Bank of India in 2005 and in the year 2011, the Government of India gave a serious push to the programme by undertaking the “**Swabhimaan**” campaign to cover more than 74,000 villages, with population more than 2,000 (as per census of 2001), with banking facilities across India. This campaign was formally launched by Gol on 10th February, 2011.

Gol emphasized the need for transferring all state benefits including MGNREGA wages and various cash subsidies to beneficiaries by direct credit to their bank accounts through provision of EBT services with the objective to provide a bank account to every household/person throughout the country. Accordingly, RBI vide Circular No. RBI/2011-12/606 issued under RPCD.CO.LBS.BC.No.86/02.01/001/2011-12 dated June 19, 2012 advised all SLBCs to prepare a roadmap covering all unbanked villages of population less than 2000 and notionally allot these villages to banks by March 2013 for providing banking services in a time-bound manner. Accordingly, a total of **5582** villages having population less than 2000 were identified in J&K State for providing banking services under “Extension of Swabhimaan” programme of Gol, MoF for coverage upto March 2015 and beyond.

Though Financial Inclusion has remained an important programme of the Central Government for promoting inclusive growth but the plan has now got a real push through the new government’s renewed focus on common man’s economic welfare.

The present Central Government has declared the Financial Inclusion a **National Mission** for implementation through special programme “**Pradhan Mantri Jan Dhan Yojana**”. The Scheme was launched across the country on **28th of August 2014**. It was formally launched by Hon’ble Prime Minister of India Shri Narendra Modi in Delhi and Simultaneously at all the major Cities and Towns across the Country.

Pradhan Mantri Jan Dhan Yojana ensures access to financial services by all and timely adequate credit to the excluded sections i.e. weaker sections and lower income groups of the country. It emphasizes on an urgent need to push the Financial Inclusion agenda among the financially excluded segment of the society so as to have financial stability and sustainability of economic and social order.

The PMJDY envisages the coverage of all the uncovered households across the country by 26th of January 2015.

Main highlights of the new programme viz, Pradhan Mantri Jan Dhan Yojana

- The campaign focus on coverage of full geography.
- The unit for coverage is households instead of village.
- The plan focuses on both rural as well as urban Financial Inclusion.
- There is Brand visibility for the programme and Business Correspondent.
- Telecom connectivity problems have been resolved by mutual consultation with the stakeholders and banks work to use the National Optical Fiber Network (NOFN).
- Opening of at least 2 bank accounts per households with one account being that of the lady of the house.
- Accounts have to be integrated with EBT, credit, Insurance and Pension.
- Interoperability have to be facilitated by National Payment Corporation of India (NCPI) through Aadhar Enabled Payment System (AEPS) with RuPay Debit Card.
- Accounts are to be converted into online mode by migrating on Core banking Solution (CBS) platform with Mobile Banking Facility.
- State level and District level monitoring committees have been set up for direct involvement with states/districts.
- Minimum remuneration of the BCs has been fixed at ₹5,000/- pm comprising of fixed amount and additional transaction /activity based variable component.
- Uniform Financial Literacy material has to be designed in consultation with DFS and utilized for creating awareness and educating the customers in rural and urban centers.
- Credit facilities in the form of overdraft with the limit up to ₹ 5,000/- shall be provided to only the lady member of the household. This card shall have an inbuilt accident insurance cover of ₹1.00 Lakh.
- For ease of opening of accounts, a one page account opening form has been designed with simplified KYC/e-KYC approach.
- There would be a Grievance Redressal at SLBC and IBA levels with a toll- free number.
- A web portal shall be created by NIC/DFS for online monitoring the creation of Business Correspondent Agents that will act as a tool for monitoring the coverage of villages.
- Besides those households that were covered under the earlier campaigns and have only one account per family would need to be provided with two accounts- one for the husband and one for the wife.
- The present plan shall be implemented as a Mission Mode Project with pre defined roles of various stakeholders with timeline for every activity.

Segment -2 (Constitution of SLIC)

Agenda Item No.1

Constitution of State Level Implementation Committee (SLIC) for Pradhan Mantri Jan Dhan Yojana (PMJDY)

The guideline on Pradhan Mantri Jan Dhan Yojana envisages constitution of Implementation committees at Central/ State/ District Level to review the progress under the programme

While Implementation committee at the Central Level which is being headed by Union Finance Minister is in place, the Committees at the district Level have also been constituted in all the 22 Districts of the State with the District Development Commissioner as Head of the Committee and Senior most officers of banks in the district and NABARD, NRLM members, Insurance Companies, officers of district administration and Local Bodies as its members. The committees are meeting regularly on fortnightly basis.

In pursuance to guidelines issued by Department of Financial Services, Ministry of Finance, Government of India, **State Level Implementation Committee** for Pradhan Mantri Jan Dhan Yojana (PMJDY) with **Excise Commissioner, J&K Government, Mr. Zaffar Ahmad Bhat (IAS)** as its head, has been constituted. The composition of the Committee is given hereunder:

S. No	Designation	Organization	
1	Excise Commissioner	J&K Government	Mission Director/ Chairman
2	President (J&K SLBC)	J&K Bank	Secretary
3	Regional Director (For J&K State)	Reserve Bank of India R. O. Jammu	Member
4	Chief General Manager	NABARD, R. O. Jammu	Member
5	President, Financial Inclusion Department	J&K Bank	Member
6	DGM	SBI	Member
7	DGM	PNB	Member
8	Chairman	J&K Grameen Bank	Member
9	Chairman	Ellaquai Dehati Bank	Member
10	Sr. Divisional Manager	Life Insurance Corporation of India	Member
11	Divisional Manager	Oriental Insurance Company Ltd.	Member
12	Divisional Manager	United India Insurance Company Ltd.	Member
13	Divisional Manager	The New India Assurance Company Ltd.	Member
14	Sr. Divisional Manager	National Insurance Company Ltd.	Member

The committee is to hold meetings on monthly basis to review the preparedness/ achievement made by the banks in 100% implementation of the PMJDY across J&K State.

This is for the information of the members

Segment -3 (Review of Progress)

Agenda Item No.2

Progress Under Pradhan Mantri Jan Dhan Yojana (PMJDY)

The consolidated progress w.r.t number of accounts opened upto **23rd December 2014** under Pradhan Mantri Jan Dhan Yojana as received from the banks is given below:

PRADHAN MANTRI JAN DHAN YOJANA					
PROGRESS REPORT UNDER PMJDY - UPTO 23.12.2014					
	TYPE OF BANK	NO. OF ACCOUNTS		TOTAL NO. OF ACCOUNTS (RURAL+ URBAN)	NO. OF RUPAY DEBIT CARD ISSUED
		RURAL	URBAN		
1	PSBs	75178	90894	166072	89059
2	SPONSORED RRBs	42507	9836	52343	6336
3	PRIVATE SECTOR BANKS	457252	59310	516562	94021
4	COOPERATIVE BANKS	3030	675	3705	0
	TOTAL (1+2+3+4)	577967	160715	738682	189416

- Under PMJDY banks in J&K State have opened **7,38,682** accounts upto 23rd December 2014 which includes **5,77,967** accounts opened in rural areas and **1,60,715** accounts in urban areas.
- Banks have also issued Rupay Cards to **1,89,416** beneficiaries under the programme upto 23rd December 2014

The progress made by individual banks is given as Annexure “A”

Creation, allocation and saturation of Sub-Service Areas

J&K SLBC Secretariat carried an extensive exercise in creation of Sub Service Areas (SSAs) in rural areas and urban wards through Lead District Managers based on the parameters set by DFS, MoF, GoI. The whole exercise was carried out on the basis of census of 2001. The SSAs were mapped with the various banks by Lead District Managers and subsequent allocation was made by SLBC Secretariat with the instructions to the concerned banks to conduct the survey of the allocated SSAs and ensure 100% Coverage of households within the prescribed timeline i. e 25th January 2015 set by DFS, MoF, GoI.

The latest position of the survey conducted and coverage provided to households by various banks is tabulated below:

S.No	Name of the Bank	Total SSAs allocated	Progress						
			Completely Surveyed SSAs	Partially Surveyed SSAs	Un-Surveyed SSAs	Total HHs in Surveyed SSAs	HHs Covered	HHs Uncovered	%age of Saturation of SSAs
1	J&K Bank	1367	929	438	Nil	692734	692734	Nil	-
2	SBI	294	240	38	16	94981	73608	21373	-
3	PNB	136	128	8	Nil	36983	29436	7547	-
4	JKGB	289	217	72	Nil	175381	135031	40350	-
5	EDB	83	83	Nil	Nil	44440	29571	14869	67
6	CBI	1	1	Nil	Nil	538	538	NIL	100
7	ICICI Bank	1	1	Nil	Nil	1188	1188	NIL	100
8	P&S Bank	1	1	Nil	Nil	550	550	NIL	100
9	HDFC Bank	4	Data not submitted						
10	Canara Bank	1	Data not submitted						
11	UCO Bank	1	Data not submitted						
TOTAL		2178	1600	556	16	1046795	962656	84139	-

The District-wise/ Bank-wise allocation of Sub-Service Areas (SSAs) is given as Annexure "B".

Forum is requested to deliberate the issue in light of figures tabulated above

Segment - 4 (Other thrust Areas of PMJDY)

Agenda Item No. 3

- 1. Progress on setting up of Bank Mitras, hosting of list of Bank Mitras/ Business Correspondent Agents (BCAs) with name, photograph and contact details to be provided on the Bank's website as well as SLBCs website.**

All banks have engaged **Bank Mitras** for extending Financial Services in identified unbanked villages and wards. As reported the names, addresses and contact details of the **Bank Mitras** have been uploaded by the banks on their respective websites. However, the uploading of photographs of the **Bank Mitras** by the banks on their respective websites is under process and the same shall be uploaded on the J&K SLBC website also as and when received from the banks.

- 2. Bank Mitr – Number, Uniform provided to Bank Mitras, availability of account opening forms with Bank Mitras, Aadhaar & RuPay card enabled machines available with Bank Mitras and Business Units**

S.No	Name of the Bank	No. of Bank Mitras engaged	No. of Bank Mitras who have been provided with the Uniform as prescribed by DFS, MoF, GoI under PMJDY.	Availability of A/C opening form with Bank Mitras	No. of Aadhaar and Rupay Card enabled machines available with both Business Units and Bank Mitras.
1	J&K Bank	830	Uniform provided to all Bank Mitras	available	Bank to inform
2	SBI	253	Uniform provided to all Bank Mitras	available	Bank to inform
3	PNB	82	Uniform provided to all Bank Mitras	available	Bank to inform
4	JKGB	317	Under Process	available	Bank to inform
5	EDB*	0	NA	NA	Bank to inform
	Total	1482			

- EDB has not engaged any Bank Mitra and is providing banking services to its allocated villages by mobile vans

3. Progress in publicity of Pradhan Mantri Jan Dhan Yojana (PMJDY), by respective SLBC.

- (i) The Yojana was launched publically on 28/08/2014 in State capital as well as in all districts / Tehsils.
- (ii) The Yojana banners and posters have been displayed in all the blocks as well as at the district headquarters
- (iii) The programme features are being published in all print and electronic media making general public aware about the benefits of the programme.
- (iv) Panchas of villages through Lead District Managers have been involved for Publicity of Pradhan Mantri Jan Dhan Yojana.
- (v) SLBC have time and again advised all the banks to hold the mega camps at the places where people are unaware of the PMJDY. Financial Literacy Counters and Insurance counters are being set up in these camps.
- (vi) SLBC have instructed all the member banks to use Logo, Tagline and Name of the Yojana in all the Stationery to be used in the process of account opening like Opening Account Form, Passbooks, Withdrawal forms, etc.

4. Progress in Financial Literacy.

- (i) A sufficient quantity of Standardized Financial Literacy Material in three languages viz Urdu, Hindi and English has been made available to all Financial Literacy & Credit Counseling Centres (FLCCs), Rural Self Employment Training Institutes (RSETIs) and Lead District Offices for displaying the same in the literacy camps being organized by them.
- (ii) SLBC has also directed all the concerned to run the financial education material like TV commercials, Newspaper Ads, Financial Literacy Movies, FAQs, Anthem etc available on Indian Banking Association website (www.iba.org.in) and Pradhan Mantri Jan Dhan Yojana Website (www.pmjdy.gov.in/default.aspx) in all the FLCCs, RSETIs, Camps and Training Institutes for creating awareness and spreading financial literacy among the masses.
- (iii) Banks have also been advised to run visuals or animated films, if any, prepared by them.

- (iv) The translation of the Mission Document of PMJDY is currently being translated into the local language (Urdu). Once it is made available, it would be circulated to all the concerned for educating the masses about PMJDY.

5 Progress in enrollment for Aadhaar.

- (i) As per the data received from J&K Government, out of the total Biometric Enrollment of 1,00,39,140 (one Crore thirty nine thousand one hundred and forty), 44,36,850 (Forty four lacs thirty six thousand eight hundred and fifty) biometric packets have been uploaded up to 08/12/2014.
- (ii) Further, out of 22 districts, Biometric Enrollment have been completed in six district viz. 1) Ganderbal, 2) Kupwara, 3) Bandipore, 4) Reasi, 5) Ramban and 6) Samba.
- (iii) It has also been reported that the process of Biometric Enrollment was closed temporarily due to the Assembly elections in J&K State.
- (iv) J&K Bank has informed that 5,413 accounts are linked with Aadhaar Ids in J&K State. 2692 accounts in Kashmir region, 2401 accounts in Jammu region and 320 in Ladakh region.

6 Help of other organizations like Post-Offices, Shasastra Seema Bal, ITBP, CRPF, CSC etc. for setting up of Business Correspondents.

- (i) SLBC has issued instructions to the concerned Lead District Managers viz. (1) Srinagar (2) Doda and (3) Budgam to seek the help of Shasastra Seema Bal (SSB) for setting up of fixed point Business Correspondents falling in their Service Areas.
- (ii) SLBC has also issued instructions to the concerned banks and Lead District Managers to seek the help of Central Reserve Police Force (CRPF) for implementation of PMJDY and setting up of fixed point Business Correspondents falling in their Service Areas.

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