

**SEGMENT – 1 (Action Points of Previous Visit of Governor, RBI)**

**AGENDA ITEM NO: SPL-01**

**Follow-up of action on the actionable points of previous visit of the Governor, Reserve Bank of India to the State (on 28<sup>th</sup> & 29<sup>th</sup> of May, 2015):**

**(i) Legislating SARFAESI Act:**

The SARFAESI Act is not applicable in J&K State, as the Transfer of Property Act (Central Act) is applicable to whole of India (except the State of Jammu and Kashmir), which has its own Transfer of Property Act. Besides, in J&K State there is no Debt Recovery Tribunal (DRT) & Debt Recovery Appellate Tribunal (DRAT). As a consequence the banks operating in J&K State are badly suffering as huge money is locked in Non-Performing Assets (NPAs) and banks are unable to recover the same by taking recourse to the SARFAESI Act.

The issue has been on the agenda of J&K SLBC since long without any resolution. In the 73<sup>rd</sup> meeting of J&K SLBC a Committee comprising of Principal Secretary (Law), Commissioner/ Secretary, Revenue, and J&K Bank was constituted to draft legislation of a separate Act for J&K on the pattern of Central SARFAESI Act. J&K Bank had prepared the draft, which was then forwarded to the State Government for further necessary action.

**Deliberations in 97<sup>th</sup> SLBC meeting:**

In the last i.e. 97<sup>th</sup> Meeting of J&K SLBC held on 10<sup>th</sup> June, 2015, the Hon'ble Finance Minister, J&K State, Dr. Haseeb A. Drabu stated that previously it had been decided that the State shall have its own SARFAESI Act on the lines of the national SARFAESI Act. J&K Bank had prepared the draft for such Act, which was then forwarded to the State Government for further action. Dr. Drabu had informed the house that he will speak to the Hon'ble Law Minister J&K on the subject for initiating further course of action in the matter.

**Decision of Hon'ble High Court of J&K dated 16.7.2015:**

The Hon'ble High Court of Jammu & Kashmir on 16.07.2015 while deciding the OWP No.53012007 titled Bhupinder Singh Sodhi V/S Union of India and the connected matters thereto wherein the applicability of the SARFAESI Act to the State of Jammu and Kashmir was challenged, held that SARFAESI Act 2002 cannot be enforced in the State of J&K. The respondent banks have been given liberty to recover their dues from the defaulting borrowers by having recourse to the appropriate laws and by approaching the appropriate forums. The High Court has further held that **"the State of J&K would be at liberty to enact law similar to that of the SARFAESI Act, 2002 for securing the interests of the Banks/ Financial Institutions"**. The State of J&K, as per the judgment, in the event of framing such a law, has to ensure that interests of the State Subjects/ citizens of J&K and their immovable properties are not affected by transferring the same to non-state subjects.

**The Government of J&K State may inform the latest status in the matter.**

**(ii) Digitization of land records in J&K State:**

During the last visit to the J&K State on 28<sup>th</sup> to 29<sup>th</sup> May, 2015 the Governor, Reserve Bank of India had observed that the digitization of land records was an important issue for the State as land is **one of** the most important collateral securities for bank finance. He further stated that the digitization of land records together with ensuring applicability of SARFAESI Act would go a long way in facilitating enhancement of CD ratio in the State. Hence, he suggested, for early digitization of land records in the State

Keeping in view its significance for banking sector as well as for the general public, the State Government needs to take necessary measures immediately regarding the issue of digitization of land records in J&K State.

**House may deliberate.**

**(iii) Installation of ATMs in District Pulwama:**

During the previous visit of Governor, Reserve Bank of India to J&K State on 28<sup>th</sup> and 29<sup>th</sup> of May, 2015 various delegations of civil society from District Pulwama brought to his notice that people in district Pulwama are facing problems due to inadequate number of ATMs in the District and requested to address the problem.

As per data received from the Lead District Manager concerned, at present **56 ATMs** are operating in District Pulwama, bank-wise details whereof are given below:

<b>S.No.</b>	<b>Name of the Bank</b>	<b>No. of ATMs operating in District Pulwama(Position as on 31<sup>st</sup> March 2015)</b>
1	J&K Bank	36
2	State Bank of India	10
3	Punjab National Bank	02
4	HDFC Bank	05
5	ICICI Bank	03
	<b>TOTAL</b>	<b>56</b>

The location-wise/ bank-wise list of ATMs operating in the district is enclosed as **Annexure- A.**

In this regard J&K SLBC Secretariat had advised the major banks operating in District Pulwama, viz. J&K Bank, SBI, PNB and HDFC Bank, to explore possibilities of expanding their ATMs network in the District. **In response thereto, the Jammu & Kashmir Bank has intimated that two ATMs have been operationalised in the District after 1<sup>st</sup> April 2015 and 11 more ATMs have been approved for District Pulwama which are likely to be made operational by 30<sup>th</sup> November 2015.**

SBI, PNB, HDFC Bank and other banks may intimate their plans, if any, to install ATMs in the District.

**This is for information of the House.**

**SEGMENT – 2 ( Flow of Credit in J&K State)****AGENDA ITEM NO: SPL-02****(i) Key Banking Parameters in J&K State-Position as on 30<sup>th</sup> June 2015**

(Amount in Crores of Rs.)

	Number of Branches	Deposits	Advances	CD Ratio	Advances to Priority Sector	%age of PS Adv. to total Advances
Public Sector Banks	463	21322.68	9214.66	43.22%	4005.03	43%
Private Sector Banks	850	51809.63	25279.71	48.79%	13662.15	54%
Regional Rural Banks	356	3410.99	1616.96	47.40%	1226.50	76%
State/ Central Cooperative Banks	261	3146.59	1160.71	36.89%	785.97	68%
Other Financial Institutions	14	0	535.39	-	364.56	68%
<b>Total</b>	<b>1944</b>	<b>79689.89</b>	<b>37807.43</b>	<b>47.44%</b>	<b>20044.21</b>	<b>53%</b>

**(ii) Annual Credit Plan 2015-16- Achievement during Q1(CFY)**

(Amount in Crores of Rs.)

	ACP Target 2015-16		Achievement during Q1(CFY)-Position as on 30.6.2015		%age of Achievement	
	Physical	Financial	Physical	Financial	Physical	Financial
Priority Sector	816524	14804.83	128478	3694.21	15.73	24.95
Non-Priority Sector	241382	8800.40	25086	2107.03	10.39	23.94
<b>Total</b>	<b>1057906</b>	<b>23605.23</b>	<b>153564</b>	<b>5801.24</b>	<b>14.52</b>	<b>24.58</b>

- Banks in J&K State have extended total credit of **Rs.5,801.24 Crore** in favour of **1,53,564 beneficiaries** (both under Priority as well as Non-priority Sector) against annual target of **Rs.23,605.23 Crore** for **10,57,906 beneficiaries** under

Annual Credit Plan 2015-16, thereby registering achievement of **24.58%** in financial terms and **14.52%** in physical terms.

- **Rs 5,801.24 Crore** disbursed by the Banks during Q1 of CFY includes Priority Sector credit of **Rs.3,694.21 Crore** disbursed by banks in favour of **1,28,478** beneficiaries against the annual target of **Rs.14,804.83 Crore** for **8,16,524** beneficiaries (**24.95%** achievement in financial terms and **15.73%** in physical terms) and Non-priority sector credit of **Rs.2,107.03 Crore** in favour of **25,086** beneficiaries against annual target of **Rs.8,800.40 Crore** for **2,41,382** beneficiaries (**23.94%** achievement in financial terms and **10.39%** in physical terms).

### (iii) Position of Credit Deposit Ratio in J&K State: Growth Trajectory

The overall credit scenario in J&K State reveals some specific issues like low CDR, low credit appetite and lack of entrepreneurship etc. which calls for discussion for the purpose of having some understanding as also to address the issues.

In the Special SLBC meeting held on 13<sup>th</sup> May, 2013 at Srinagar Dr. D. Subbarao, the then Governor, Reserve Bank of India, had fixed a target of **40%** Credit Deposit Ratio (for all banks/ across the State) to be achieved by March, 2014, which was surpassed by achieving overall C.D. Ratio of 44.58% as on 31.03.2014. However, a number of banks including some major banks are yet to achieve the targeted level of C.D. Ratio.

Although the **Credit Deposit Ratio of J&K State has shown substantial increase of 9.72% during the last 3 years** (from 36.51% as on 31.03.2013 to 46.23% as on 31.03.2015), yet there is lot more to be done to reach to the national bench-mark of 60%. An overview of growth trajectory of J&K State during the last 3 financial years is given below for information of the house:

### (iv) BANKING SCENARIO IN J&K STATE - GENERAL OVERVIEW Growth Trajectory - 3 years

Particulars	(Amount in Crores of Rs.)			
	March, 2013	March, 2014	March, 2015	Growth(%) over March 2013
<b>Branch Network</b>	1,638	1,831	1,936	18%
<b>Deposits</b>	64,480	72,214	78,978	22%
<b>Advances</b>	23,542	32,196	36,508	55%
<b>C. D. Ratio</b>	<b>36.51</b>	<b>44.58</b>	<b>46.23</b>	<b>10%</b>

The figures tabulated above reveal the following facts:

- **Network of bank branches in J&K State has increased from 1,638 in March 2013 to 1,936 in March, 2015 indicating a growth of 18%.**
- **The Deposits have grown by 22% during this period from Rs. 64,480 Crore as on 31<sup>st</sup> March 2013 to Rs. 78,978 Crore as on 31<sup>st</sup> March 2015.**
- **The Advances outstanding have increased by 55% during the said period from Rs. 23,542 Crore as on 31<sup>st</sup> March 2013 to Rs. 36,508 Crore as on 31<sup>st</sup> March 2015.**
- **The higher credit growth has resulted in improvement of 10% in Credit Deposit Ratio of the State during this period.**

**Region-wise growth in Deposits, Advances and C.D. Ratio during last 3 years:**

<b>Region</b>	<b>Growth (%) in Deposits</b>	<b>Growth (%) in Advances</b>	<b>Growth (%) in C. D. Ratio</b>
<b>Kashmir Region</b>	17%	42%	10.42%
<b>Jammu Region</b>	15%	35%	4.75%
<b>Ladakh Region</b>	24%	67%	6.47%
<b>OVERALL J&amp;K STATE</b>	<b>22%</b>	<b>55%</b>	<b>9.72%</b>

- **Kashmir region has recorded 17% growth in Deposits and 42% in Advances during the period of last three years which has resulted in healthy improvement of 10.42% in CD Ratio in the region.**
- **The CD Ratio of banks operating in Jammu region has grown by 4.75% over the period of 3 years which has had an adverse impact on the overall CD Ratio of the State and thus needs serious introspection.**
- **The CD Ratio in Ladakh region has improved by 6.47% during this period which is attributed to substantial growth in advances in this region.**

Detailed district-wise position of Deposits, Advances, CD Ratio indicating growth recorded during last 3 years is given in **Annexure-B** for information of house.

However, a view of the district-wise Credit Deposit Ratio (as tabulated below) indicates that 8 districts of Jammu Division (viz. Jammu, Udhampur, Reasi, Doda, Ramban, Kishtwar, Rajouri, Poonch, and 2 districts of Ladakh Division, viz. Leh and Kargil ) continue to have discouraging and subdued C.D. Ratio.

S. NO	NAME OF DISTRICT	31-Mar-13	31-Mar-14	31-Mar-15	
		CD RATIO (%)	CD RATIO (%)	CD RATIO (%)	
1	SRINAGAR	47.09	44.75	46.68	
2	GANDERBAL	50.98	64.39	69.68	
3	BARAMULLA	53.04	66.53	74.04	
4	BANDIPORA	48.04	54.34	66.17	
5	ANANTNAG	42.15	54.22	63.57	
6	KULGAM	49.38	62.61	78.99	
7	PULWAMA	59.73	72.95	78.88	
8	SHOPIAN	86.29	107.69	135.43	
9	BUDGAM	51.36	70.00	74.38	
10	KUPWARA	43.82	57.18	71.30	
	<b>KASHMIR REGION</b>	<b>48.94</b>	<b>54.06</b>	<b>59.36</b>	
11	POONCH	17.43	18.86	21.16	CDR low
12	RAJOURI	22.93	24.17	26.30	CDR low
13	JAMMU	27.90	32.72	32.83	CDR low
14	SAMBA	53.69	54.35	53.76	
15	UDHAMPUR	25.86	28.85	30.72	CDR low
16	REASI	26.03	26.02	25.36	CDR low
17	KATHUA	37.04	39.40	42.99	
18	DODA	20.23	23.47	29.35	CDR low
19	RAMBAN	21.48	23.15	26.84	CDR low
20	KISHTWAR	17.38	19.97	25.20	CDR low
	<b>JAMMU REGION</b>	<b>28.45</b>	<b>32.22</b>	<b>33.20</b>	
21	LEH	18.90	21.02	22.72	CDR low
22	KARGIL	18.26	23.76	30.40	CDR low
	<b>LADAKH REGION</b>	<b>18.69</b>	<b>21.92</b>	<b>25.15</b>	
	<b>J&amp;K State (Overall CD Ratio)</b>	<b>36.51%</b>	<b>44.58%</b>	<b>46.23%</b>	

**Position of Credit Deposit Ratio - Institution-wise:**

<b>Name of the Bank</b>	<b>31- March 2013</b>	<b>31- March 2014</b>	<b>31- March 2015</b>	<b>Increase during 3 years</b>
<b>JK Bank</b>	<b>38.88%</b>	<b>43.92%</b>	<b>47.48%</b>	<b>8.60%</b>
<b>SBI</b>	<b>26.76%</b>	<b>51.10%</b>	<b>(*) 50.43%</b>	<b>23.67%</b>
<b>PNB</b>	<b>23.07%</b>	<b>34.67%</b>	<b>27.67%</b>	<b>4.60%</b>
<b>Other Comm. Banks</b>	<b>41.82%</b>	<b>43.32%</b>	<b>42.66%</b>	<b>0.84%</b>
<b>Coop. Banks</b>	<b>33.41%</b>	<b>34.78%</b>	<b>36.30%</b>	<b>2.89%</b>
<b>RRBs</b>	<b>41.20%</b>	<b>44.22%</b>	<b>45.68%</b>	<b>4.48%</b>
<b>Total</b>	<b>36.51%</b>	<b>44.58%</b>	<b>46.23%</b>	<b>9.72%</b>

(\*) C.D. Ratio of 50.43% in respect of SBI as on 31.3.2015 has been arrived at after incorporating the Advances made by outside State Branches of SBI for financing the projects in J&K State. Whereas excluding the said advances, the C.D. Ratio of SBI would be around 29.88%

- **J&K Bank, SBI, PNB and RRBs have recorded improvement of 8.60%, 23.67%, 4.60% and 4.48% respectively in their CD Ratios over the last 3 years**
- **Other Commercial Banks and Cooperative Banks have not shown any worthwhile improvement in their CD Ratio during this period.**

**House may deliberate.**



**AGENDA ITEM NO: SPL-03****Position of Advances Outstanding under Priority Sector in J&K State –  
Areas of weakness - across sectors and across regions:**

The position of Advances Outstanding under various segments of Priority Sector in J&K Sector during the last 2 years is given in the below mentioned table for information of the house:

(Amount in Crores of Rupees)					
Particulars		March 2013	March 2014	March 2015	Growth (%) Viz-a-viz March 2013
<b>Total Priority Sector Advances Outstanding</b>		<b>13708.74</b>	<b>16545.46</b>	<b>19081.94</b>	<b>39%</b>
<b>Sub-Sector-wise bifurcation of Priority Sector Advances</b>					
<b>a</b>	<b>Advances to Agri. Sector</b>	<b>3375.02</b>	<b>4896.58</b>	<b>6110.04</b>	<b>81%</b>
<b>b</b>	<b>MSME Sector</b>	<b>8193.94</b>	<b>8836.68</b>	<b>9540.14</b>	<b>16%</b>
<b>c</b>	<b>Education</b>	<b>256.87</b>	<b>257.89</b>	<b>272.79</b>	<b>6%</b>
<b>d</b>	<b>Housing</b>	<b>1882.91</b>	<b>1955.10</b>	<b>2123.14</b>	<b>13%</b>
<b>e</b>	<b>Other Sectors</b>	<b>0</b>	<b>599.21</b>	<b>1035.83</b>	

- Priority Sector advances have grown by 39% during the period of 2 years.
- Agriculture Sector has recorded increase of 81% the highest among all the sectors during this period.
- MSMEs sector has grown by 29%.
- **Education and Housing Sectors have shown the sluggish growth with Advances to Education Sector showing a growth of 6%, whereas Housing Sector, which is the promising sector in the State having high credit absorption capacity, registering a growth of only 13% during the said period, which is a cause of concern and needs thorough introspection.**

**Sector-wise Credit Sharing (%):****(Amount In Crores of Rs.)**

SECTOR	31-Mar-13		31-Mar-14		31-Mar-15	
	Advances	%age Share to Total O/S	Advances	%age Share to Total O/S	Advances	%age Share to Total O/S
AGRICULTURE	3375	14	4896	15	6110	17
MSE	8194	35	8837	27	9540	26
EDUCATION	257	1	258	1	273	1
HOUSING	1883	8	1955	6	2123	6
OTHERS	0	0	599	2	1036	3
Total Priority Sector-(A)	13709	58	16545	51	19082	52
Non-priority Sector-(B)	9833	42	15651	49	17426	48
Total (A+B)	23542		32196		36508	

- Share of Agriculture sector to total outstanding credit is showing an increasing trend over the period of 3 years.
- Share of MSE and Housing sectors to total outstanding credit is showing decreasing trend.
- Education Sector has just 1% share in the total outstanding credit which is too meagre and dismal.

**CREDIT SHARING BY BANKS:****(Amount in Crores of Rs.)**

Name of the Bank	31-Mar-13		31-Mar-14		31-Mar-15	
	Advances	%age Share to Total Adv.	Advances	%age Share to Total Adv.	Advances	%age Share to Total Adv.
JK Bank	15889	67	19845	62	23127	63
SBI	2247	10	4811	15	5233	14
PNB	888	4	1564	5	1428	4
Other Comm. Banks	2410	10	3002	9	3462	9
Coop. Banks	921	4	1033	3	1149	3
RRBs	1172	5	1401	4	1576	4
Other FIs	15	0	541	2	533	1
Total	23542		32196		36508	

- J&K Bank contributes 63% in the aggregate credit in the State as on 31<sup>st</sup> March 2015. The bank consistently contributes more than 60% of the total bank credit outstanding in the State.

- State Bank of India which is the second largest bank in the State with branch network of 182 branches has shown improvement of 4% in its share in the aggregate credit outstanding in the State.
- Punjab National Banks share in aggregate credit has not improved at all over the period of 3 years
- The share of Cooperative Banks and RRBs in the aggregate Credit of the State has shown a decline of 1% each over the period of 3 years.

**Position of disbursement of credit to Priority/ Non-priority Sectors viz-a-viz Annual Credit Plans – last 3 years:**

Annual Credit Plans for the State are formulated to ensure adequate and balanced flow of credit to all the sectors of economy. These ACPs are based on the District Credit Plans as well as in accordance with the Potential Linked Credit Plan prepared by NABARD. Implementation thereof is monitored on quarterly basis in the DLRC and SLBC meetings. The performance of banks in J&K State viz-a-viz ACP targets for Priority Sector during last 3 years is tabulated below:

(Amount In Crores of Rs.)

Sector	31-Mar-13			31-Mar-14			31-Mar-15		
	ACP Target	Achievement.	Ach. (%)	ACP Target	Achievement.	Ach. (%)	ACP Target	Achievement.	Ach. (%)
Agriculture	1772	1759	99	3213	2034	63	4005	2764	69
MSE	2925	2170	74	3573	2081	58	4195	4564	109
Education	208	79	38	418	80	19	542	94	17
Housing	1189	911	77	2040	972	48	2451	829	34
Others	0	0	0	899	534	59	1272	774	61
Total Priority Sector	6094	4918	81	10142	5701	56	12464	9025	72
Total Non-Priority Sector	2900	3342	115	6180	4567	74	7530	7861	104
<b>TOTAL CREDIT</b>	<b>8994</b>	<b>8260</b>	<b>92</b>	<b>16322</b>	<b>10268</b>	<b>63</b>	<b>19994</b>	<b>16886</b>	<b>84</b>

- The ACP size for Priority Sector for J&K State has increased by **105%** during the last 3 years from **Rs. 6,094 Crore** during FY 2012-13 to **Rs. 12,464 Crore** in FY 2014-15.

- The Priority sector disbursement has also increased by 84% during the last three years from **Rs.4,918 Crore** as on 31<sup>st</sup> March 2013 to **Rs. 9,025.40 Crore** as on 31<sup>st</sup> March 2015 which is the healthy trend.
- The data for the last three years shows that Agriculture and MSME sectors are dominating the Priority sector and showing comparatively better achievements viz-a-viz their respective ACP targets.

Detailed statement regarding disbursement of credit viz-a-viz ACP targets during the last 3 years is given in **Annexure-C** for information of the house.

**House is requested to deliberate the issue and advise ways and means for enhancing flow of credit to the State.**

### **SEGMENT – 3 (Financial Inclusion & Credit Plus Activities)**

#### **AGENDA ITEM NO: SPL-04**

#### **FINANCIAL INCLUSION PLAN (FIP) OF J&K STATE – Providing banking services to identified unbanked villages having population less than 2000.**

The Phase-I of the Financial Inclusion Programme with target of covering identified 795 unbanked villages having population over 2000 in J&K State for providing banking under “**Swabhimaan**” campaign, was successfully accomplished.

Thereafter, 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 had advised all SLBCs to prepare a roadmap for covering all unbanked villages with population of less than 2000 and notionally allot these villages to banks by March 2013 for providing banking services in a time-bound manner.

Accordingly, in J&K State a total of **5,582** unbanked villages having population less than 2000 were identified, which were allocated amongst five major banks operating in the State, viz. J&K Bank, SBI, PNB, JKGB and EDB, and a comprehensive roadmap for providing banking services in a phased manner during FYs 2012-13, 2013-14, 2014-15 and beyond was drawn for implementation.

In January, 2015 RBI, C.O. Mumbai vide its circular under **No. FIDD.CO.LBS.BC.No.47/02.01.001/2014-15** advised the CMDs of all SLBC Convenor Banks and Lead Banks to complete the process of providing banking services in these unbanked villages **by August 14, 2015** in line with PMJDY instead of **March 2016** prescribed earlier by RBI.

Brief bank-wise/ year-wise summary of Roadmap for coverage of the allocated 5,582 villages along with progress achieved so far is tabulated below:

S. No	Name of the Bank	Total No. of villages allocated	Roadmap/ Year-wise Target for coverage of villages				Total Progress achieved upto 14.8.2015	No. of villages yet to be covered
			31 <sup>st</sup> Mar. 2013	31 <sup>st</sup> Mar. 2014	31 <sup>st</sup> Mar. 2015	14 <sup>th</sup> Aug. 2015		
1	J&K Bank	3271	1103	497	800	871	3259	12
2	SBI	753	111	196	215	231	649	104
3	PNB	294	6	137	81	70	294	...
4	JKGB	1026	54	350	329	293	1026	...
5	EDB	238	40	79	79	40	238	...
<b>TOTAL</b>		<b>5582</b>	<b>1314</b>	<b>1259</b>	<b>1504</b>	<b>1505</b>	<b>5466</b>	<b>116</b>

Upto 14<sup>th</sup> of August, 2015 (i.e. the timeline set by RBI) banks have completed coverage of 5,466 villages leaving 116 villages yet uncovered, which include 12 villages allocated to J&K Bank and 104 villages allocated to SBI.

Besides, as per RBI directives, the FIP participating banks were required to ensure coverage of at least 279 villages (being 5% of the un-banked villages) through brick & mortar model. The progress achieved in the matter, so far, is tabulated below:

S.No.	Name of FIP participating Bank	Total No. of villages allocated	5% of villages to be covered through branch mode (as per RBI directive)	No. of branches actually covered through brick & mortar model
1	J&K Bank	3271	164	115
2	SBI	753	38	1
3	PNB	294	15	2
4	JKGB	1026	51	38
5	EDB	238	11	8
<b>TOTAL</b>		<b>5582</b>	<b>279</b>	<b>164</b>

**Participating Banks to give timeframe for coverage of remaining villages as well as coverage of requisite villages through brick and mortar model.**

**House may deliberate the issue.**

**AGENDA ITEM NO: SPL-05****i) Pradhan Mantri Jan Dhan Yojana (PMJDY)**

Pradhan Mantri Jan Dhan Yojana' a comprehensive Financial Inclusion Package was launched across the country on 28<sup>th</sup> of August 2014.

**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 among the financially excluded segment of the society so as to have financial stability and sustainability of economic and social order.

**The consolidated progress on number of accounts opened under Pradhan Mantri Jan Dhan Yojana upto 31<sup>st</sup> July 2015 is given below:**

S. No	Bank	No. of A/Cs opened			No. of Rupay Debit Cards issued	No. of Zero balance accounts
		Rural	Urban	Total		
1	Public Sector Banks	199595	127116	326711	275454	139548
2	Private Sector Banks	1102041	123786	1225827	1111494	680875
3	RRBs	90570	31118	121688	44258	57664
4	Cooperative Banks	8244	1962	10206	130	5646
	<b>Total</b>	<b>1400450</b>	<b>283982</b>	<b>1684432</b>	<b>1431336</b>	<b>883733</b>

- Banks have opened **16,84,432** accounts under PMJDY upto 31<sup>st</sup> July, 2015 which includes **14,00,450** accounts opened in rural areas and **2,83,982** accounts opened in urban areas.
- Banks have also issued Rupay Cards to **14,31,336** beneficiaries under the Yojana upto **31<sup>st</sup> July, 2015**.

**The major contributors are tabulated hereunder:**

S. No	Bank	No. of A/Cs opened under PMJDY upto 31 <sup>st</sup> July 2015			%age share to total A/Cs opened by all banks together
		Rural	Urban	Total	
1	J&K Bank	1099585	118473	1218058	72.00%
2	PNB	102607	20162	122769	7.00%
3	SBI	56760	43695	100455	6.00%
4	JKGB	63259	11870	75129	4.00%
5	EDB	27311	19248	46559	3.00%
6	Other banks	50928	70534	121462	7.00%
	<b>Total</b>	<b>1400450</b>	<b>283982</b>	<b>1684432</b>	

**J&K Banks contribution is 72% of the total accounts opened under the scheme by all the banks upto 31<sup>st</sup> July, 2015.**

**Progress made in survey of Sub-Service Areas (SSAs) and Coverage of Households (HHs) under PMJDY-Position as on 31<sup>st</sup> July 2015**

Sr . No	Name of the Bank	SSAs allocated	SSAs surveyed	SSAs where survey is under process	Households reported in Surveyed SSAs	Out of (v) HHs having bank A/Cs	Out of (v) HHs yet to be covered	%age of surveyed Households having Bank accounts out of (v)
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)
1	J&K Bank	1367	1367	0	1112180	1112180	0	100.00%
2	SBI	294	294	0	238758	238758	0	100.00%
3	PNB	136	136	0	114215	114215	0	100.00%
4	JK GB	289	289	0	273444	273444	0	100.00%
5	EDB	83	83	0	54664	54664	0	100.00%
6	HDFC Bank	4	4	0	2080	2080	0	100.00%
7	Central Bank of India	1	1	0	538	538	0	100.00%
8	ICICIC Bank	1	1	0	1226	1226	0	100.00%
9	Canara Bank	1	1	0	570	570	0	100.00%
10	UCO Bank	1	1	0	970	970	0	100.00%
11	P&S Bank	1	1	0	387	387	0	100.00%
<b>Total</b>		<b>2178</b>	<b>2178</b>	<b>0</b>	<b>1799032</b>	<b>1799032</b>	<b>0</b>	<b>100.00%</b>

- All 2,178 Sub-Service Areas allocated to 11 banks in J&K State have already been surveyed by the concerned banks.
- A total of 17,99,032 households have been reported by the banks in 2,178 surveyed SSAs, which stand covered as on 31<sup>st</sup> July, 2015.

**ii) Progress in enrolment under 3 new Social Security Schemes relating to Insurance and Pension sector viz.**

- 1) Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY),
- 2) Pradhan Mantri Suraksha Bima Yojana (PMSBY) and
- 3) Atal Pension Yojana (APY).

(Position as on 7.9.2015)

Scheme Name	Rural Male	Rural Female	Urban Male	Urban Female	Total Enrolment
APY	3174	1146	6333	1948	12601
JJY	136328	44235	46303	20193	247059
SBY	256853	105319	106819	49672	518663
<b>Total</b>	<b>396355</b>	<b>150700</b>	<b>159455</b>	<b>71813</b>	<b>778323</b>



### **iii) Pradhan Mantri MUDRA Yojana (PMMY):**

#### **BACKGROUND:**

MUDRA, which stands for Micro Units Development & Refinance Agency Ltd., is a new institution being set up by Government of India for development and refinancing activities relating to micro units. It was announced by the Hon'ble Finance Minister while presenting the Union Budget for FY 2016. The purpose of MUDRA is to provide funding to the non corporate small business sector.

As per Department of Financial Services, Ministry of Finance, Govt. of India's letter No.27/01/2015-CP/RRB dated May 14, 2015 loans given to non-farm income generating enterprises in manufacturing, trading and services whose credit needs are below Rs.10 lakh by all the Public Sector Banks, Regional Rural Banks, State Cooperative Banks and Urban Co-operative Banks will be known as MUDRA loans under the Pradhan Mantri MUDRA Yojana (PMMY). All such loans can be covered under refinance and/or credit enhancement products of MUDRA.

#### **Product/Offerings of MUDRA**

To start-with, MUDRA will need two categories of products; viz; refinance product for the micro units having loan requirement in the range of Rs. 50,000/- to Rs. 10 lakh and support to MFIs for on-lending etc. MUDRA will be providing refinance to micro business under the Scheme of Pradhan Mantri MUDRA Yojana. The other products are for development support to the sector.

Under the aegis of Pradhan Mantri MUDRA Yojana, MUDRA has already created its initial products / schemes. The interventions have been named 'Shishu', 'Kishor' and 'Tarun' to signify the stage of growth / development and funding needs of the beneficiary micro unit / entrepreneur and also provide a reference point for the next phase of graduation / growth to look forward to:

**Shishu:** covering loans up to Rs. 50,000/-

**Kishor:** covering loans above Rs. 50,000/- to 5 lakh;

**Tarun:** covering loans above Rs. 5 lakh and up to Rs. 10 lakh

It would be ensured that at least 60% of the credit goes to Shishu Category Units and the balance to Kishor and Tarun Categories.

**PROGRESS UPTO 15<sup>th</sup> AUGUST 2015**

(Amount in Crores of Rs.)

CATEGORY	Target FY 2015-16	Achievement Upto 15 August 2015
	Financial	Financial
SISHU	819.75	0.86
KISHORE	2270.04	37.96
TARUN	1315.82	15.83
Total	4405.61	54.65

Out of the 46 banks operating in the State, SLBC Secretariat has received the targets in respect of the Pradhan Mantri MUDRA Yojana (PMMY) from 24 banks only till date. The other banks who have not so far submitted the targets under the scheme are under protracted follow up of J&K SLBC Secretariat.

This is for the information of the house.

**AGENDA ITEM NO: SPL-06**

**Implementation of Electronic Benefit Transfer (EBT) Scheme in J&K;**

Strategy, guidelines on Financial Inclusion issued by Gol, MoF, DFS vide Circular dated 21.10.2011 require that benefits and subsidies under various Government Schemes must be transferred electronically into the accounts of the beneficiaries and such basic banking accounts have to be opened by banks under Financial Inclusion to facilitate direct transfer of such benefits and subsidies.

- **Finance Department, J&K Govt. has been made the umbrella department to coordinate, oversee and facilitate roll out of EBT in the State.**
- **J&K Bank stands designated as Leader Bank for all districts of the State.**
- **MoU between Finance Department, J&K Govt. and J&K Bank was signed on 26<sup>th</sup> November 2013, as per the mutually agreed format for hassle-free implementation of EBT Scheme.**

The Electronic Benefit Transfer (EBT) Scheme has been successfully implemented in six districts of the State i.e., Srinagar, Ganderbal, Jammu, Rajouri, Kargil & Leh in the first phase and benefits under IGNOAPS have been transferred into the accounts of beneficiaries successfully. The data validation in respect of remaining 16 Districts is under process. The District-wise progress of validation of beneficiaries' accounts as on 22<sup>nd</sup> July, 2015 in all the 22 districts for implementation of the Scheme, is given in **Annexure-D**.

**Expected timeline for implementation of EBT in remaining 16 districts:**

As per data received from the Social Welfare Department, J&K Government there are 1,39,325 beneficiaries under IGNOAPS in J&K State and all of them are already having their bank accounts, out of which 1,00,770 accounts have already been validated by the Leader Bank (J&K Bank) for the purpose of EBT.

**House may deliberate the issue and stipulate a timeframe implementation of EBT Scheme in all the districts of the State.**

**AGENDA ITEM NO: SPL-07****J&K FLOODS 2014 - (Recommendations put forth by J&K SLBC for Relief, Rehabilitation, Revival and Restructuring of various types of credit facilities in the areas affected by the natural calamity – floods)**

In aftermath of devastating floods that hit J&K State in September 2014 a special meeting of J&K SLBC was convened on 23<sup>rd</sup> September 2014 at J&K Bank Zonal Office Jammu for taking stock of the situation. A Special package of relief, rehabilitation and restructuring of various types of credit facilities in affected areas was formulated by J&K SLBC and implemented after approval by RBI.

**The consolidated progress achieved upto 31<sup>st</sup> July 2015 in restructuring various types of credit facilities in respect of the borrowers affected by the natural calamity and issuance of fresh credit to the flood hit people of J&K is given hereunder**

(Amount on Crores of Rupees)

Applications Received	Applications Processed/Sanctioned		Applications Disbursed Credit	
	Number	Amount	Number	Amount
31384	28525	1843.09	24003	1228.23

The Bank-wise data is given as **Annexure-E** for information of the House.

Subsequently, the Sub-Committee of J&K State Level Bankers' Committee constituted by J&K SLBC in its Special meeting held on 23<sup>rd</sup> September 2014 at Jammu, held its first meeting under the Chairmanship of Chairman/ CEO J&K Bank (Convenor, J&K SLBC) on 4<sup>th</sup> October 2014 at J&K Bank, Corporate Headquarters, Srinagar. The Sub-Committee among other things had recommended the following:

- 1. J&K State Govt. to approach Gol for extending interest subvention of 5% upto loans of Rs.5.00 lacs for the flood victims of J&K State under House Reconstruction Loan Package on the pattern of Ministry of Housing & Urban Poverty Alleviation, Gol, Housing Loan Scheme "Rajiv Rinn Yojana".**
- 2. J&K State Government to approach Gol for waiver of debts upto Rs.3.00 lacs in respect of the borrowers affected by the floods.**

**The Government of J&K State may inform the progress**

**House may deliberate the issue**