

CHAPTER - 23

INSTITUTIONAL FINANCE

23.1 Financial resources being limited, have to be utilized in such a manner that maximum gains could be derived from them. Apart from the resources of the State, resources from institutional financing play a very important part in successful implementation of the plan programmes.

23.2 The financial institutions are playing an important role in economic development by mobilization of deposits and credit disbursement to various sectors. The Government has increasingly begun to tap institutional finance from banks and other term lending institutions for financing various developmental programmes in the State.

23.3 Various credit-based programmes like National Rural Livelihood Mission, Deendayal Antyodaya Yojana (DAY) - National Urban Livelihoods Mission, Prime Minister Employment Generation Programme and schemes for development of SC/ST and other poverty alleviation programmes are being implemented for the development of the weaker sections of the society with the active involvement of banks. The banks including the Regional Rural Banks have helped in execution of various rural development schemes by providing credit support.

23.4 The comparative data of bank offices, their deposits and credits in Rajasthan viz-a-viz at National level as on March 2014 and March 2015 is presented in the table given below: -

Table No.1
Comparative statement of bank offices, deposits and credits

S. No.	Item	RAJASTHAN		INDIA	
		March 14	March 15	March 14	March 15
1.	Regional Rural Banks				
	(a) No. of Offices	1198	1324	17901	19472
	(b) Deposits (₹ in crore)	13633	15302	233366	266209
	(c) Credit (₹ in crore)	10348	11765	159030	181191
2.	SBI & its Associates				
	(a) No. of Offices	1357	1477	22101	23355
	(b) Deposits (₹ in crore)	71531	81228	1738005	1950847
	(c) Credit (₹ in crore))	46724	50813	1393999	1481779
3	Nationalized Banks				
	(a) No. of Offices	2365	2635	58211	63341
	(b) Deposits (₹ in crore)	85060	100374	4213237	4529607
	(c) Credit (₹ in crore))	94071	107189	3196518	3444769

S. No.	Item	RAJASTHAN		INDIA	
		March 14	March 15	March 14	March 15
4	Foreign Banks				
	(a) No. of Offices	7	7	301	319
	(b) Deposits (₹ in crore)	557	2434	344688	393266
	(c) Credit (₹ in crore)	827	924	301414	334463
5	Private Sector Banks				
	(a) No. of Offices	762	809	17308	19376
	(b) Deposits (₹ in crore)	30821	36135	1498924	1751053
	(c) Credit (₹ in crore)	24127	30821	1213329	1438647
Total (All Scheduled Commercial Banks)					
	(a) No. of Offices	5689	6252	115822	125863
	(b) Deposits (₹ in crore)	201602	235472	8028220	8890982
	(c) Credit (₹ in crore)	176097	201512	6264290	6880849
	Credit Deposit Ratio (%)	87.35%	85.58%	78.03%	77.39%

23.5 It is evident from the above table that deposits and credits have increased in the State up to March, 2015 over the period March, 2014 by 16.80 per cent and 14.43 per cent respectively while the corresponding increase at all India level is 10.75 per cent and 9.84 per cent. The credit deposit ratio in March, 2015 for Rajasthan and all India level was 85.58 per cent and 77.39 per cent respectively whereas during March, 2014, the credit deposit ratio for Rajasthan and all India level was 87.35 per cent and 78.03 per cent respectively. It shows that credit deposit ratio was comparatively more for Rajasthan during March, 2015 and March, 2014 in comparison to all India level.

23.6 Hon'ble Chief Minister has announced in Budget Speech 2016-17 that during the year, 500 new Brick & Mortar Bank Branches are to be opened.

Rural Infrastructure Development Fund (RIDF)

23.7 NABARD has been providing loan assistance to State Government through the Rural Infrastructure Development Fund for completing the rural infrastructure projects since 1995-96. The fund is being utilized on capital formation in agriculture and rural sector by supporting infrastructure investment in rural roads, rural bridges, medium/minor irrigation works, information technology, Aaganwaris, flood management, watershed development, drinking water, infrastructure for rural education, plantation, kisan sewa kendras/kisan knowledge centers/land record information cum patwar circles, rural godowns, etc.

23.8 In Rajasthan, 41437 projects under RIDF tranches I to XXI upto 31-03-2016 have been sanctioned with a total loan assistance of ₹17483.58 crore, against which total reimbursement of ₹ 12868.37 crore

has been claimed up to 31-03-2016. During the year 2015-16 (up to 31-03-2016), 1044 projects with the loan amount of ₹1870.95 crore have been sanctioned under RIDF- XXI.

23.9 Position of projects and loan sanctioned by NABARD under RIDF Tranches-XIII to XXI is as under:-

Table No. 2
Project & loan sanctioned by NABARD under RIDF in different tranches

(₹ in crore)

S. No.	RIDF Tranches	Year of Sanction	No. of Project sanctioned	Loan amount sanctioned
1	XIII	2007-08	2402	824.97
2	XIV	2008-09	957	1099.71
3	XV	2009-10	1752	1015.39
4	XVI	2010-11	2670	1300.24
5	XVII	2011-12	5238	1809.47
6.	XVIII	2012-13	2443	2106.24
7.	XIX	2013-14	5174	1788.42
8	XX	2014-15	1557	1941.76
9	XXI	2015-16	1044	1870.95

23.10 Year-wise reimbursement received under RIDF projects is as under:-

Table No. 3

(₹ in crore)

Year	Amount Reimbursed
2007-08	500.00
2008-09	700.00
2009-10	850.00
2010-11	1000.00
2011-12	1030.10
2012-13	1150.09
2013-14	1549.08
2014-15	1872.95
2015-16 (Including WIF)	2088.54

Financial Inclusion

23.11 In India, the banking industry has grown both horizontally and vertically but the branch penetration in rural areas has not kept pace with the rising population and the need for accessible financial services. Hence, Financial Inclusion has been one of the priority areas for the Government of India and State Governments. This is mainly ensuring access to formal Financial Sector of people in rural and urban area particularly the vulnerable groups such as weaker section and low-income groups.

23.12 To achieve the goal of comprehensive financial inclusion Government of Rajasthan has launched the Bhamashah Yojana-2014 on

15th August, 2014 in the State and Government of India has launched the Pradhan Mantri Jan-Dhan Yojana on 28th August, 2014.

Bhamashah Yojana-2014

23.13 No development can be sustainable without active and equal participation of women in all the activities of the society as women constitute nearly half the population. The real empowerment of women depends upon creation of enabling environment both social and economic, that may help women to participate on equal terms in the decision making process at all levels. Keeping this in view, the State Government had framed and launched Bhamashah Scheme in the year 2008. This scheme was the first kind of Direct Benefit Transfer Scheme in the country. To achieve comprehensive financial inclusion it has been restructured and launched as Bhamashah Scheme-2014 on August 15, 2014 to provide end to end delivery system for individual and family based benefits of the Government sponsored schemes through a centralized e-government platform by leveraging the enhanced electronic infrastructure of the State.

23.14 The families of the State shall be provided a core banking enable bank account for seamless delivery of benefits directly into their bank accounts near the door step. Each family would be issued a Bhamashah Family ID Card. The main objectives of this scheme are Women Empowerment through Financial Inclusion, Issue of Unique Family ID and Creation of State Bhamashah Data Hub. Under this scheme, 116.15 lakh families and 405.10 lakh persons of the State have been enrolled. The Government has initiated various measures to accelerate economic growth of the State. The concerted efforts are also being made to implement a number of schemes for the benefit of the people both in the Rural and Urban areas of the State. Now, all the e-Mitra kiosks of the State have also been declared as a permanent Bhamashah enrolment centers for the easy access of the people.

23.15 Various direct cash and non-cash benefits are being transferred for identified programs like PDS, MGNREGA, SSP, Bhamashah Swasthay Bima Yojna, Janani Suraksha Yojna, Subh Laxmi Yojna etc through Bhamashah platform in a transparent manner. More than 2.74 crore transactions of amount 1566.83 crores have been made. Further, 154 new schemes of different departments have been identified for direct benefit transfers. Bhamashah card holders will be able to get services at many different service- points. For cash benefits, besides bank branches & ATM, services will be available through Banking Correspondents and Micro ATMs at various e-Mitra kiosks across the State. e-Mitra is a multi service, single window network for providing government information and service to the residents. Various cash and non-cash services would be available from e-Mitra centers through Micro-ATMs as well as IT enabled PoS at concerned institution like Ration Shops for PDS.

23.16 More than 23500 PoS (Micro A.T.M.s/BC) are working at all Gram panchayats in rural areas and wards in urban areas at least 20000 PoS machines for PDS have also be established for service delivery.

23.17 Transactions both cash and non-cash, pertaining to a family are consolidated at one place by way of 'Transaction Mapper'. All the transactional events are linked with notifications to concerned stakeholders through SMS. Multiple MIS reports are available to the decision-maker and beneficiaries alike. Thus, apart from bringing in awareness and transparency, this feature will help the government in analytics, taking corrective measures and designing of new schemes. Various transactional facilities to all the stakeholders of Bhamashah Scheme are being provided through Bhamashah Mobile App. The App works on all the operating systems.

23.18 National e-Governance Gold Award, 2015-16 for the sectoral award (Financial Inclusion) has been awarded to GoR for Bhamashah Yojna by GoI.

23.19 Cooperative Banks have connected with core banking system with Bhamashah so that banking facility can be available in far flung areas. For this purpose, it has decided that service of Primary Agricultural Credit Societies (PACSSs), Large Agricultural Multi Purpose Society (LAMPS) and e-Mitra centers are to be taken as Business Correspondent. Under the Bhamashah Scheme, micro ATMs opened at Atal Seva Kendras in the all 9895 Gram Panchayats of the State.

Pradhan Mantri Jan-Dhan Yojana (PMJDY)

23.20 To achieve the goal of comprehensive financial inclusion, the Government of India has launched the Pradhan Mantri Jan-Dhan Yojana (PMJDY) on 28 August 2014 across the nation, simultaneously which is a National Mission for financial inclusion to cover all households with banking facilities and having a bank account for each household.

23.21 Under this scheme each household will get a RuPay debit card having inbuilt accident insurance cover of ₹ 1,00,000 and additional life insurance coverage of ₹ 30,000 for accounts opened during the campaign period. An overdraft facility up to ₹ 5000 will also be permitted to Aadhaar enabled accounts after satisfactory operation in the account for six month.

23.22 16799692 accounts have opened in PMJDY in the Rajasthan, up to 30th March, 2016.