

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2072

ANSWERED ON:12.12.2008

‘BRANCHES OF PSBS’

Rajbhar Shri Chandra Dev Prasad;Reddy Shri Mekapati Rajamohan

Will the Minister of FINANCE be pleased to state:

- (a) the number of branches of Public Sector Banks (PSBs) opened during the last three years and the current year,State/UT-wise,bank-wise;
- (b) whether the Government has conducted any survey to assess the requirement of more branches of PSBs and additional staff;
- (c) if so, the details thereof;
- (d) whether a number of PSBs propose to close their branches in various parts of the country;
- (e) if so, the details thereof and the reasons therefor. State-wise, bank-wise; and
- (f) the steps taken by the Government to stop such closure and open the closed branches of PSBs?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

- (a): The number of branches of Public Sector Banks (PSBs) opened during the last three years, State/UT-wise and bank-wise is given at Annexure I & II respectively.
- (b) to (f): As per the liberalised and rationalised Branch Authorisation Policy of the Reserve Bank of India(RBI) issued vide Master Circular dated 1.7.2008,the banks,themselves,assess their requirements for opening/closing/merging/shifting converting their branches and submit with the approval of their Board of Directors, an Annual Branch Expansion Plan to RBI for its approval. It is left to the discretion of the banks to assess the need for opening/closing bank branches in any area of the country after taking into consideration certain factors such as business potential, viability, infrastructure, security etc. However, the same should be in conformity with the said guidelines of the RBI issued, vide Master Circular dated 1.7.2008(referred to above) which ensures that no existing centre should be rendered unbanked. Details of State-wise/bank-wise branches proposed to be closed by PSBs along with reasons thereof is not maintained by the Government.