

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4686

ANSWERED ON:23.04.2010

PRIVATE BANKS

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**Will the Minister of FINANCE be pleased to state:**

- (a) whether private banks are increasing in the country;
- (b) if so, the details thereof alongwith the number of branches of Private Banks opened and closed during the last three years in the country, State-wise;
- (c) the number of private banks branches working in the country particularly in the rural areas as on date, State-wise;
- (d) the overall impact of the said increase in the number of private banks on the public sector banks;
- (e) whether a new policy has been issued by RBI recently regarding the ownership of private banks; and
- (f) if so, the main features of this policy alongwith the reasons for issuing a new policy?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (d): On March 31, 2004, there were 25 Scheduled Commercial Banks operating in private sector in India. The number of such banks has reduced to 22 as on today due to amalgamation of few private sector banks with other banks.

The State-wise details of the number of branches of Private Banks opened and closed during the years 2007-08, 2008-09 and 2009-10, total number of branches operating as on 31st March, 2010 and number of rural and semi -urban branches operating as on 31st March, 2010 are at Annex.

(e) & (f): Pursuant to the Budget Speech 2010-11, the Reserve Bank of India (RBI) has initiated the process of formulating Guidelines/eligibility criteria for issuing fresh banking licences to private players.