

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3577

ANSWERED ON:16.04.2010

BANK BRANCHES

Majhi Shri Pradeep Kumar;Pratap Narayanrao Shri Sonawane;Vijayan Shri A.K.S.

Will the Minister of FINANCE be pleased to state:

(a) the total branches of the Public Sector Banks (PSBs) including State Bank of India (SBI) functioning in the urban, rural and semi-urban areas, as on date, Statewise and bank-wise;

(b) the number of proposals lying pending before the Reserve Bank of India (RBI) for opening of branches as on date, State-wise and bank-wise; and

(c) the details of the steps taken/being taken by these banks to expand their business in the urban/semi-urban and Rural Branches?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a):- As on December 31, 2009, there were 85,740 branches of Scheduled Commercial Banks (SCBs) out of which 32,197 (37.6%) bank branches were in the rural areas, 20,160(23.5%) in semi-urban areas, 17,521(20.4%) in urban areas and 15,862 (18.5%) in metropolitan areas.

(b):- The State-wise details of number of proposals pending Reserve Bank of India (RBI) as on March 8, 2010 is at Annex.

(c):- Banks have been permitted to use various Information and Communication Technology (ICT) based models using the Business Correspondents to extend the reach of banking. The Reserve Bank of India (RBI) has already issued several circulars to banks in this regard. These include operative guidelines to banks on mobile banking transactions, guidelines on pre-paid payment instruments, guidelines on business correspondents, etc. The Banks have also formulated their road maps for financial inclusion as per the RBI directions.

RBI has in December, 2009 permitted all scheduled commercial banks(SCBs), (excluding Regional Rural Banks) to open branches in Tier 3 to Tier 6 centres (with population upto 49,999 as per Census 2001) without having the need to take permission from RBI in each case, subject to reporting. Further banks have been permitted to open branches in rural, semi-urban & urban centres in the North Eastern States & Sikkim, without prior permission from the RBI. RBI has also relaxed its policy under which SCBs are permitted to install offsite ATMs at centres/places identified by them without having the need to take permission from the RBI. This is expected to result in further expansion of banking network.