

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4100  
ANSWERED ON:03.12.2010  
FUNDING TO BANKS IN NE REGION  
Panda Shri Baijayant;Pradhan Shri Nityananda

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

- (a) whether the Government has formulated any special package to fund banks in the North-Eastern and under-developed States in the country including Orissa, Chhattisgarh, Jharkhand, Bihar, Madhya Pradesh and Himachal Pradesh;
- (b) if so, the details thereof, State-wise;
- (c) the details of the ratio of a bank branch and habitations in the said States; and
- (d) the steps taken/being taken by the Government to improve the said ratio?

**Answer**

The Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) to (d): In order to encourage banks to open bank branches in unbanked blocks in North-Eastern Region, a special dispensation scheme has been introduced by Reserve Bank of India (RBI) for NE Region wherein it has been decided to provide subvention of one time capital cost and recurring costs for a limited period of 5 years in respect of all blocks/ centres figuring in the list of 'Agreed centres' to be identified by a joint team of Government officials and banks constituted under the aegis of State Level Bankers Committee in North Eastern States. So far, Meghalaya (8 centres), Arunachal Pradesh (12 centres), Manipur (11 centres) and Nagaland (6 centres) have been finalised. The State-wise details of Bank Branches, Banked Centres and Population ratio are given in Annex.