

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5257

ANSWERED ON:10.12.2010

OPENING OF BANK BRANCHES IN RURAL AREAS

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Will the Minister of FINANCE be pleased to state:

- (a) the details of the branches of the Public and Private Sector Banks opened in rural areas during the last three years and the current financial year, State-wise and Bank-wise;
- (b) whether the Government has created any special fund for upgradation, development and modernization of the said banks;
- (c) if so, the details thereof, State-wise including Jharkhand; and
- (d) the steps taken/being taken by the Government to provide adequate security to the branches of the said banks in the militancy infested areas?

Answer

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

(a) State-wise and Bank-wise details of the branches of the Public and Private Sector Banks opened in rural areas during the last three years and the current financial year are given in Annex-1 and Annex-2.

(b) to (d) The upgradation, development and modernization of the banks is the prerogative of the banks. However, the Government of India and the Reserve Bank of India have issued instructions to the Public Sector Banks for up-scaling the Information Technology (IT) used by the banks and for implementing the Core Banking Solution (CBS) in a time bound manner including for Regional Rural Banks.

As regards providing adequate security for bank branches in militancy infested areas, on the basis of information provided by Ministry of Home Affairs, the Government has advised the Indian Banks Association (IBA) and the State Level Bankers Committees (SLBCs) to review the arrangements made for the security of Business Correspondents (BCs). State Governments particularly in North Eastern States have been requested to provide premises in Government buildings preferably near the local Police Stations to banks for opening branches.