

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3172

ANSWERED ON:19.08.2011

REGIONAL RURAL BANKS

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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal to open branches of Regional Rural/Gramin Banks in the country and interconnect all the branches in order to strengthen rural banking;
- (b) if so, the details thereof alongwith the time by which such branches are likely to be opened;
- (c) the details of branches of the said Banks opened in the country during the last three years and the current financial year, State-wise including Maharashtra and Chhattisgarh;
- (d) whether some of the said Banks are financially poor and unable to disburse loans during the said period;
- (e) if so, the details thereof and the reasons therefor; and
- (f) the remedial measures taken/being taken by the Government to improve the financial condition and functioning of the said banks alongwith achievements thereof?

Answer

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

(a) and (b):- As on 31 March 2011, there are 82 Regional Rural Banks(RRBs) with a network of 16004 branches in 26 States and 1 Union Territory. The following have been initiated to expand the outreach of the RRBs.

The RRBs have opened 1243 branches during the period from 1st April, 2008 to 31st March, 2011.

53 RRBs have already achieved 100% Core Banking Solution (CBS) status. The Sponsor Banks provide the required support to the RRBs sponsored by them for this purpose.

(c):- The State-wise position of number of branches during the last 3 years is at Annex.

(d) and (e):- As per information furnished by NABARD the total loan issued by RRBs during the year 2007-08, 2008-09, 2009-10 and 2010-11 are as under:-

(Rs. Crore)

Sr. No.	Year	Total loan outstanding as on 31 March (i.e. upto 31 March each year)	Total loans issued during the year
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1 2007-08 589,884.26 38,581.97

2 2008-09 67,802.09 43,367.13

3 2009-10 82,819.1 56,079.24

4 2010-11 101,292.91 72,479.32

(f):- The Committee on Capital-to-Risk-Weighted Assets Ratio (CRAR) had recommended for recapitalisation of select RRBs to bring their CRAR to 9% by March, 2012. Accordingly an amount of `66.49 crore was released during the year 2010-11 to capitalize 5 RRBs. During the year 2011-12, so far, an amount of `31.25 crore has been released to capitalize 3 RRBs.

