

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1126

ANSWERED ON:05.08.2011

SHORTAGE OF BANK BRANCHES

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Will the Minister of FINANCE be pleased to state:

- (a) whether the minority and tribal dominated and rural areas in Madhya Pradesh and Gujarat have shortage of bank branches;
- (b) if so, the details thereof;
- (c) whether the Government/Reserve Bank of India has directed Public and Private Sector Banks to open their branches in the said areas;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the corrective steps taken/being taken by the Government/RBI to provide adequate banking facilities in the said areas of Madhya Pradesh and Gujarat?

Answer

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

(a) and (b) :- 12 districts in Gujarat and 41 districts in Madhya Pradesh have been identified as underbanked. List of such districts is kept at Annexure-I.

(c) to (e) Government of India has already directed banks to provide banking services in all unbanked villages in the country having population over 2000 by March, 2012 under Financial Inclusion Campaign 2010-12, Under this campaign in the States of Gujarat and Madhya Pradesh, 3502 and 2736 villages respectively have been identified and allocated among Public Sector Banks, Private Sector Banks, Regional Rural Banks and Cooperative Banks for coverage by March, 2012.

Reserve Bank of India (RBI) has advised banks that while preparing their Annual Branch Expansion Plan (ABEP), the Banks should allocate at least 25 percent of the total number of branches proposed to be opened during a year in unbanked rural (tier V and tier VI) centres.