

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4002

ANSWERED ON:26.08.2011

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 Public Sector Banks (PSBs) in the urban, semi-urban and rural areas alongwith the amount deposited therein during the last three years and as on date, State-wise, including Gujarat, Jharkhand and West Bengal and bank-wise, including State Bank of India;
- (b) whether the Government has received any proposal from the PSBs for opening of their branches in the country particularly in the rural areas;
- (c) if so, the details thereof, State-wise including Gujarat, Jharkhand and West Bengal and bank-wise including State Bank of India alongwith the action taken on such proposal; and
- (d) the steps taken/being taken by the Government to provide adequate bank branches in the country particularly in rural areas?

Answer

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

(a) to (d) :- The details about number of bank branches and deposits, State-wise and Bank-wise are given in the Annexures attached.

General permission has been granted to domestic Scheduled Commercial Banks (other than RRBs) to open branches / mobile branches / Administrative Offices / CPCs (Service Branches), (i) in Tier 3 to Tier 6 centres {with population up to 49,999} and (ii) in rural, semi-urban and urban centres of the North-Eastern States and Sikkim subject to reporting. 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 5 and Tier 6) centres.

In order to extend the reach of banking services, Banks were advised in 2010-11 to provide appropriate banking facilities to habitations having a population in excess of 2000 (as per 2001 census) by March, 2012, using the Business Correspondent and other models, with appropriate technology back up. Approximately 73,000 such habitations across the country have been identified and allocated to Public Sector Banks, Regional Rural Banks, Private Sector Banks and Cooperative Banks for extending banking services by March, 2012. As per reports received from Banks, 29,569 such villages have been covered as on 31.03.2011.