

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:329

ANSWERED ON:16.12.2011

BANKING IN RURAL AREAS

Gandhi Shri Dilip Kumar Mansukhlal;Saroj Shri Tufani

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken note of lack of banking facilities in the rural areas and also the inter-state and intra-state disparity in banking operations;
- (b) if so, the details of the low banking penetration in some of the States and the reasons therefor;
- (c) whether the Government has taken up the matter with the concerned State Governments/banking industry so as to provide adequate banking facilities in the unbanked areas;
- (d) if so, the details thereof and the road map envisaged for the purpose, State- wise; and
- (e) the corrective steps taken /being taken by the Government to bring the unbanked areas of the country under the banking network?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB MUKHERJEE)

(a) to (e):- A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Starred Question No.329 for 16/12/2011 tabled by Shri Tufani Saroj and Shri Dilipkumar Mansukhlal Gandhi regarding Banking in Rural Areas.

(a) Yes, Sir.

(b) to (e) There are 375 underbanked districts in the country on the basis of Average Population Per Bank branch being above the national average. The Government has adopted a multi-pronged strategy to extend banking facilities to hitherto unserved areas. This includes opening of more bank branches in such areas, by extending banking services through technology based solutions using the business correspondents, extending coverage under Kisan Credit Cards and General Credit Cards. Based on the announcement in budget 2010-11, over 73,000 villages having population above 2000, have been identified for extending banking services by March, 2012. By November, 2011, over 46,000 villages have been covered. State-wise details are Annexed.