

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1820

ANSWERED ON:23.03.2012

BANKING COVERAGE

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**Will the Minister of FINANCE be pleased to state:**

- (a) the details of accessibility/penetration of banking services in the rural areas, State-wise and Bank-wise;
- (b) whether a number of villages/habitations in the country do not have banking facilities;
- (c) if so, the details thereof, State-wise including Bihar and the reasons therefor alongwith the number of public and private sector banks and their branches opened in the rural areas during the last three years and the current year, Bank-wise and State-wise ;
- (d) whether the Government has sought private sector participation to provide banking facilities to the unbanked areas of the country;
- (e) if so, the details thereof alongwith the number of proposals for opening of bank branches in the country pending with the Government, State-wise including Bihar and Bank-wise; and
- (f) the other steps taken/being taken by the Government to bring the unbanked areas of the country under the banking network?

**Answer**

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

(a) to (c):- As per Reserve Bank of India (RBI) there are 92572 branches of Scheduled Commercial Banks (SCBs) functioning in the country as on 31st December, 2011, out of which 34,270 branches are in rural areas and 23,767 are in semi urban areas which constitute about 63% of the total bank branches. The all India average population per bank branch office as on March 31, 2011 was 13,503. The details about State-wise and bank-category-wise number of scheduled commercial bank branches functioning in rural areas are given in Annexure I. The details about State-wise number of Public Sector and Private Sector Bank branches opened in rural areas during the last three years is given in Annexure II & III.

(d) to (f) : Under the `Swabhimaan` financial inclusion campaign, out of about 73,000 villages having population of over 2000, banking facilities have been provided to about 70,000 habitations through Public Sector Banks, Private Sector Banks and Regional Rural Banks.

Further, in order to extend the banking network in unbanked areas, general permission has been granted by Reserve Bank of India (RBI) to domestic Scheduled Commercial Banks (other than RRBs) to open branches / mobile branches / Administrative Offices / CPCs (Service Branches),(i) in Tier 2 to Tier 6 centres (with population up to 99,999) 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.