

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2859
ANSWERED ON:29.08.2012
BANKING SERVICES IN TRIBAL AREAS QUESTION
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Will the Minister of FINANCE be pleased to state:

- (a) whether many tribal areas do not have banking services;
- (b) if so, the details thereof, State and Bank-wise, including Andhra Pradesh;
- (c) whether the Government has identified 19 key areas for banking services;
- (d) if so, the details thereof; and
- (e) the steps taken/being taken by the Government to open more branches of Banks in tribal areas?

Answer

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

(a) to (e) As on June 30, 2012, there are 97,473 branches of Scheduled Commercial Banks(SCBs) functioning in the country, out of which 35,966 branches are in rural areas and 25,566 in semi-urban areas, which together constitute about 63% of the total bank branches. The State-wise number of branches (including the State of Andhra Pradesh) of all Scheduled Commercial Banks, in the Rural areas as on 30th June 2012 is given in Annex. Reserve Bank of India (RBI) has informed that they do not maintain specific information / data with reference to tribal areas.

Andhra Bank, the State Level Bankers Committee (SLBC) convener bank has informed that in Andhra Pradesh there are 398 branches in tribal areas covering 11 districts.

In order to extend the reach of banking to the rural hinterland, Banks, during 2010-12 have provided banking facilities to 74,194 habitations having a population in excess of 2000 (as per 2001 census) by March, 2012 under `Swabhimaan` campaign, using the Business Correspondent model/branch/mobile etc.

As per extant Branch Authorisation Policy of RBI, general permission has been granted to domestic Scheduled Commercial Banks, (other than RRBs) to open branches, in Tier 2 to Tier 6 centres (with population up to 99,999) which include rural centres and tribal areas, and in rural, semi urban and urban centres of the North Eastern States and Sikkim, and to open mobile branches in Tier 3 to Tier 6 centres (with population up to 49,999) which include rural centres and in rural, semi urban and urban centres of the North Eastern States and Sikkim subject to reporting.

RBI further advised banks that while preparing their Annual Branch Expansion Plan, the banks should allocate at least 25 percent of the branches proposed to be opened during a year in unbanked rural centres with population upto 9999.