

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2167
ANSWERED ON:05.12.2014
CLOSURE OF BANK BRANCHES
Gupta Shri Sudheer

Will the Minister of FINANCE be pleased to state:

(a) the details of the public and private sector bank branches closed during the last three years in rural and urban areas, bank and State-wise along with the reasons therefor; and

(b) the steps taken by the Government to prevent closure of bank branches in rural areas?

Answer

THE FINANCE MINISTER (SHRI ARUN JAITLEY)

(a) As per information received from Reserve Bank of India (RBI), details of branches closed by Public and Private Sector banks during the last three years State-wise and Bank-wise are at Annexure. Closures are broadly of the nature of permanent closure, conversion into non-administratively independent offices or merger with a branch of the same bank.

(b) In terms of RBI guidelines on Branch Authorization, closure of even loss making branches at rural centres having a single commercial branch (excluding Regional Rural Bank branch) is not permitted, as closure would render the centre unbanked. In other cases, of rural branch at a centre served by more than one commercial bank branch, closure of a rural branch needs approval of RBI.