

Government of India
Ministry of Finance
Department of Financial Services

LOK SABHA
UNSTARRED QUESTION NO.†755
To be answered on the December 14, 2018/Agrahayan 23, 1940 (SAKA)

Gramin Bank Branches

†755:SHRI HARISHCHANDRA CHAVAN:
SHRI MANSUKHBHAI DHANJIBHAI VASAVA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Gramin Bank branches in Maharashtra are overcrowded and customer services in these branches are pathetic;
- (b) if so, the reaction of the Government thereon;
- (c) whether the Government is considering to increase the number of bank branches due to soar in accounts and overcrowding at the Gramin Bank branches; and
- (d) if so, the details thereof and if not, the reasons therefor?

Answer

**Minister of State in the Ministry of Finance
(SHIV PRATAP SHUKLA)**

(a) to (d) Two Regional Rural Banks(RRBs) namely Maharashtra Gramin Bank(MGB) and Vidharbha Konkan Gramin Bank(VKGB) are functioning in the State of Maharashtra. As reported by National Bank for Agriculture and Rural Development (NABARD) and VKGB, VKGB and MGB have 326 and 409 branches, respectively, in the State. In addition, VKGB and MGB have deployed 418 and 898 Business Correspondents(BCs) respectively, to cater to the banking services in rural areas.

As per Reserve Bank of India's (RBI) guidelines on "Rationalising the Branch Authorisation Policy" dated 18.05.2017, general permission has been granted to domestic Scheduled Commercial Banks (SCBs), to open banking outlets at any place in the country without seeking prior approval of RBI in each case, subject to at least 25 per cent of the total number of banking outlets opened during a financial year being in unbanked rural centres with population less than 10,000.

Implementation of Pradhan Mantri Jan Dhan Yojana (PMJDY), inter alia, focussed on providing banking services in rural areas. To achieve this object, the villages were mapped into 1.59 lakh sub-service areas (SSA) of 1,000 to 1,500 households each. Out of these SSAs, 0.33 lakh are served by bank branches and 1.26 lakh are served by BCs. As allowed by RBI, scope of Financial Inclusion has been further widened by roping in Common Service Centres (CSCs), Fair Price Shops (FPS), Self Help Group members, Gramin Dak Sewaks etc. as BCs to provide banking services throughout the country.