

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**

**UN-STARRED QUESTION No. 112**

**ANSWERED ON 18<sup>th</sup> NOVEMBER, 2019 (MONDAY) / KARTIKA 27, 1941 (SAKA)**

**“OPENING OF BANK BRANCHES”**

112. SHRI OMPRAKASH BHUPALSINH ALIAS PAWAN RAJENIMBALKAR  
DR. MANOJ RAJORIA:

Will the Minister of FINANCE be pleased to state :

- (a) whether the Government is aware that many Panchayats/Blocks in tribal and backward areas are deprived of banking services like ATMs/Post Office Saving Banks etc., if so, the details thereof;
- (b) whether the Government is formulating any new scheme to increase the number of branches of nationalised banks like State Bank of India in the country, if so, the details thereof, State-wise including Maharashtra;
- (c) whether it is a fact that workload is increasing in the said nationalised banks due to increasing population and increase in the accounts of Central Schemes in district like Osmanabad in Maharashtra;
- (d) if so, the action being taken by the Government to open new branches in district Osmanabad, Maharashtra; and
- (e) the time by which the new bank branches are likely to be opened in the country including Maharashtra?

**Answer**

**The Minister of Finance in the Ministry of Finance  
(SHRI ANURAG SINGH THAKUR)**

(a) to (e): As per extant guidelines dated 18.5.2017 on rationalisation of Branch Authorisation Policy, Reserve Bank of India (RBI) has granted general permission to domestic Scheduled Commercial Banks (excluding Regional Rural Banks), to open banking outlets at any place in the country, without seeking prior approval of RBI in each case, subject to at least 25 percent of the total number of banking outlets opened during a financial year being in unbanked rural centres i.e. centres having population less than 10,000 (Tier 5 and Tier 6 centres).

Further, ten Small Finance banks and seven Payments Banks have been licensed by RBI for providing banking services across the country including the rural centres.

Under Pradhan Mantri Jan-Dhan Yojana (PMJDY), all villages were mapped by banks into 1.59 lakh Sub-Service Areas (SSAs) where one SSA catering to 1,000 to 1,500 households. While 0.33 lakh SSAs have been covered with bank branches, 1.26 lakh SSAs, have been covered by deployment of interoperable Business Correspondents (BCs).

In pursuance of RBI guidelines, rolling out of banking outlets in uncovered areas is a continuous process and looked after by SLBC, in consultation with the concerned State Government, member banks and other stakeholders. Banks, inter-alia, consider proposals for opening banking outlets in the light of RBI's instructions, their business plans and their commercial viability. To further assess the viability for opening a banking outlet, banks carry out survey as required.

As apprised by RBI, as on 30.06.2019, there are 1,45,632 functioning branches of Scheduled Commercial Banks (SCBs) in the country, of which 51,658 branches are in rural areas. The number of branches of SCBs in the state of Maharashtra, as on 30.06.2019, is 12,786, of which 3,166 are in rural areas.

As apprised by SLBC Maharashtra, no report regarding increase in workload due to increasing population and increase in the accounts of Central Schemes has been received from any of the nationalized banks in Maharashtra or Lead District Manager, Osmanabad.

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