

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

**UNSTARRED QUESTION NO. 3441**

ANSWERED ON TUESDAY, 01 APRIL 2025/ 11 CHAITRA, 1947 (SAKA)

**Opening of banks in the village gram panchayats**

3441. Shri Madan Rathore:

Will the Minister of FINANCE be pleased to state:

- (a) the criteria for opening branches of banks in the gram panchayats of the country;
- (b) whether many gram panchayats still do not have bank branches according to the Reserve Bank of India (RBI), if so, area-wise details in the State of Rajasthan;
- (c) whether there has been a public demand for opening branches of Government / private banks in many tribal dominated villages in the State and whether Government proposes to open them, if so, the details thereof and if not, the reasons therefor; and
- (d) the details of the requests received from the public representatives in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) to (d) Reserve Bank of India (RBI) has granted general permission to domestic Scheduled Commercial Banks (excluding Regional Rural Banks) to open banking outlets, including branches at any place in the country, without seeking prior approval of RBI in each case. This is subject to at least 25 percent of the total number of banking outlets to be opened in unbanked rural centres i.e. centres having population less than 10,000 (Tier 5 and Tier 6 centres) during a financial year.

In pursuance of extant RBI guidelines, rolling out of banking outlets in uncovered areas is a continuous process looked after by the State Level Bankers' Committee (SLBC) / Union Territory Level Bankers Committee (UTLBC), in consultation with the concerned State Government, member Banks and other stakeholders. Also, as and when the requests of Public representatives are received, these are forwarded to concerned SLBC's / UTLBC's. The same is forwarded by SLBC's / UTLBC's to member banks which inter-alia, consider proposals for opening banking outlets, in the light of RBI's instructions, their business plans and their commercial viability.

Further, the endeavour of the Government is to ensure availability of banking outlet (Bank Branch / Business Correspondent / India Post Payments Bank) within 5 kms of all inhabited villages in the country. Availability of banking outlets is monitored by a Geographic Information System (GIS) based App., namely, the Jan Dhan Darshak (JDD) App.

As per the JDD App, out of total 6,01,328 inhabited villages in the country, 6,00,720 (99.90%) villages are covered with banking outlets (Bank Branch / BC / IPPB) within a radius of 5 kms. Moreover, as on 28.02.2025, out of the total 43,375 inhabited villages in the state of Rajasthan, 43,351 (99.94%) villages are covered with banking outlets within a radius of 5kms. Efforts are being undertaken to cover these remaining villages also by suitable banking outlets, status of which is reviewed at a periodical level.

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