

LOK SABHA

UNSTARRED QUESTION NO. 3127

TO BE ANSWERED ON THE JANUARY 05, 2018/PAUSHA 15, 1939 (SAKA)

Regional Rural Banks/Grameen Banks

†3127: SHRI LAXMAN GILUWA, SHRI RAM TAHAL CHOUDHARY:

Will the Minister of **FINANCE** be pleased to state:

- (a) whether the Branches of Regional Rural Banks (RRBs)/Grameen Banks are inadequate in the country to facilitate the payments made under various schemes, if so, the details thereof;
- (b) the number of the Regional Rural Banks/Grameen Banks branches functioning in the country in the year 2014 as well as their number at present, State/UT-wise;
- (c) whether the Government has formulated any parameter for opening of RRBs/Grameen Banks in rural areas and if so, the details thereof; and
- (d) the efforts made/being made by the Government to improve the banking facility in rural areas?

Answer

Minister of State in the Ministry of Finance

(SHIV PRATAP SHUKLA)

(a) to (c): RBI vide its Master Circular dated 1st July, 2015 on Branch Licensing has prescribed guidelines for opening of RRBs' branches. As per these guidelines, RRBs are required to decide on the policy and strategy for setting up new branches/offices etc., taking into account the yearly business plan, potential for business and profitability of the proposed branches, efficacy of the internal control system etc. These guidelines, inter-alia, provide for opening of RRB branches in Tier II to Tier VI centres (with population of up to 99,999 as per Census 2001) without having the need to take prior permission from RBI in each case, provided they fulfil certain conditions.

As per NABARD, as on 31st March 2017, there were 21,422 branches of Regional Rural Banks (RRBs) in the country. Besides, the RRBs have 3933 number of ultra-small branches which also provide limited banking services. The State/UT-wise list of number of branches of RRBs as on 31st March, 2014 and 31st March, 2017 is enclosed as **Annexure**.

(d): As per RBI directives, banks have been given freedom to open branches in Tier II to Tier VI centres without prior permission of RBI. Further, to improve the banking facilities in rural areas, the Banks have been given freedom to appoint Business Correspondents who provides doorstep banking in rural areas, by appropriately leveraging technology.

To improve the banking facilities across the country, Pradhan Mantri Jan-Dhan Yojana (PMJDY) was started w.e.f. 28.08.2014 with the aim to provide minimum one bank account per household. Under the Yojana, as on 20.12.2017, 30.75 crore PMJDY accounts have been opened across the country, out of which 18.08 crore accounts are in rural/semi-urban areas. Account holders under PMJDY, do not require to maintain minimum balance. Under the Yojana, account holders are issued RuPay card with an inbuilt accidental insurance cover of Rs.1 lakh.

Annexure to Lok Sabha Unstarred Question No. 3127 for 05.01.2018

No. of Branches (State/UT-wise) functioning in the country

Sr. No.	Name of State/UT	Total No. of Branches as on 31.03.2014	Total No. of Branches as on 31.03.2017
1	ANDHRA PRADESH	1760	924
2	ARUNACHAL PRADESH	27	28
3	ASSAM	453	473
4	BIHAR	1859	2106
5	CHHITTISGARH	582	602
6	GUJARAT	593	732
7	HARYANA	542	630
8	HIMACHAL PRADESH	188	263
9	JAMMU & KASHMIR	338	343
10	JHARKHAND	442	443
11	KARNATAKA	1547	1771
12	KERALA	535	615
13	MADHYA PRADESH	1201	1304
14	MAHARASHTRA	680	731
15	MANIPUR	28	22
16	MGEHALAYA	91	94
17	MIZORAM	75	84
18	NAGALAND	10	10
19	ODISHA	951	991
20	PUDUCHERRY	32	40
21	PUNJAB	340	407
22	RAJASTHAN	1236	1464
23	TAMIL NADU	417	573
24	TELANGANA	---	1165
25	TRIPUA	138	144
26	UTTAR PRADESH	3819	4218
27	UTTARAKHAND	260	286
28	WEST BENGAL	938	959
	ALL INDIA TOTAL	19082	21422

Source: NABARD