

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

**UNSTARRED QUESTION NO.†3217**

TO BE ANSWERED ON THE 5<sup>TH</sup> JANUARY 2018/ PAUSHA 15, 1939 (SAKA)

**Converting Retail Banks to Full Time Banks**

**†3217. SHRIMATI RITI PATHAK:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) is considering to relax the banking services related norms;
- (b) if so, the details thereof;
- (c) whether the Government is considering to recognise those commercial banks as full service bank branches that are providing minimum four hours of service, five days a week;
- (d) if so, the details thereof;
- (e) whether the Reserve Bank of India (RBI) has made it mandatory for the banks to set up as many ATMs as per the number of their branches in towns and cities;
- (f) if so, the details thereof; and
- (g) the steps taken by the Government to maintain proper Banking services across the country?

**ANSWER**

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

(a) to (g): In terms of guidelines issued by Reserve Bank of India (RBI) on “Rationalisation of Branch Authorisation Policy” dated May 18, 2017, a ‘Banking Outlet’ for a Domestic Scheduled Commercial Banks, a Small Finance Bank, and a Payment Bank is a fixed-point service delivery unit, manned by either bank’s staff or its business correspondent, where services of acceptance of deposits, encashment of cheques or cash withdrawal or lending of money are provided for a minimum of four hours per day for at least five days a week. The bank should have a regular off-site monitoring of the ‘Banking Outlet’ to ensure proper supervision, ‘uninterrupted service’ except temporary interruptions due to telecom connectivity, etc. and timely addressing of customer grievances.

RBI has stated that in consequence of these guidelines, ‘fixed-point business correspondent outlets’ providing banking service for a minimum of four hours a day and five days a week and meeting the above requirements have been brought on par with the physical brick and mortar branches under the revised framework.

RBI has not issued instructions to banks for making it mandatory to set up as many ATMs as per the number of their branches in towns and cities. Bank are allowed to set up onsite/offsite ATMs at centres/places identified by them.

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