

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

UNSTARRED QUESTION No. 1748

TO BE ANSWERED ON 27th JULY, 2018 (FRIDAY)/SHRAVANA 5, 1940 (SAKA)

Brick & Mortar Bank Branches

1748. SHRI RABINDRA KUMAR JENA:

Will the Minister of FINANCE be pleased to state:

- (a) whether his Ministry has issued instructions that each unbanked Gram Panchayat of the States is to be covered by a Brick and Mortar branch of a Scheduled Commercial Bank by March, 2019 and if so, the details thereof;
- (b) whether any steps have been taken by his Ministry towards opening of brick and mortar bank branches of Scheduled Commercial Banks in each of the unbanked gram panchayats in the country including Odisha within the target period of five years by March, 2019 and if so, the details thereof, State/UT-wise including Odisha; and
- (c) whether his Ministry will consider taking specific measures so that Commercial Banks will be able to deliver adequate and timely credit essential for economic and social development in neglected States including Odisha and if so, the details thereof?

Answer

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

- (a) and (b) As per extant guidelines dated 18.5.2017 on rationalizing 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 with population less than 10,000. For this purpose, banking outlets opened in any centre having population less than 50,000 in North Eastern states, Sikkim and also Left Wing Extremism (LWE) affected districts as notified by the Government of India are also considered as equivalent to opening of banking outlets in unbanked rural centres.
- (c) Reserve Bank of India has issued master circular to all Scheduled Commercial Banks with targets under priority sector lending, which includes agriculture, micro small and medium enterprises, export credit, education, housing, social infrastructure, renewable energy etc.
