

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

UNSTARRED QUESTION No. 2910

To be answered on Friday, December 28, 2018/Pausha 7, 1940 (Saka)

Bank Branches/ATMs in SAGY Villages

2910. SHRI KRUPAL BALAJI TUMANE:

SHRI PANKAJ CHAUDHARY:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to open new branches of State Bank of India (SBI) and other Public Sector Banks (PSBs) and Automated Teller Machine (ATM) in the villages selected under Saansad Adarsh Gram Yojana (SAGY) in the country including village Badhara Meer in Maharajganj of Uttar Pradesh, if so, the details thereof;

(b) whether SBI and other PSBs have conducted any State-wise survey in this regard and if so, the details thereof; and

(c) the time by which new branches of SBI and other PSBs and ATMs are likely to be opened under the said scheme in the SAGY villages?

Answer

The Minister of State in the Ministry of Finance

(SHRI SHIV PRATAP SHUKLA)

(a) As per extant guidelines of Reserve Bank of India (RBI), dated 18.5.2017 on rationalisation of Branch Authorisation Policy, domestic Scheduled Commercial Banks (excluding Regional Rural Banks) are permitted to open banking outlets, 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.

Further vide the same circular of RBI, banks are allowed to set up onsite/offsite Automated Teller Machines (ATMs) at centres/places identified by them, including Special Economic Zones.

In view of importance of providing banking services under the Saansad Adarsh Gram Yojana, Department of Financial Services, Ministry of Finance vide its communication dated 12.12.2014, has advised Public Sector Banks and Private Sector Banks to ensure that banking services are provided in each Saansad Adarsh Gram. These services could be provided either through a branch, or in case any selected village is not found to be a viable location for branch opening, through a fixed point online inter-operable Business Correspondent or Kiosk.

As apprised by State Level Banker's Committee, Uttar Pradesh, Customer Service Point of Allahabad Bank is operating in the village Bhadara Meer under Maharajganj district of Uttar Pradesh.

(b) to (c) In pursuance of RBI guidelines, rolling out of banking outlets in uncovered areas is a continuous process and looked after by State Level Bankers' Committee (SLBC) in consultation with the concerned State Government, member banks and other stakeholders. Banks 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.
