

Government of India
Ministry of Finance
Department of Financial Services

LOK SABHA
UNSTARRED QUESTION NO. 747

To be answered on the December 14, 2018/ Agrahayan 23, 1940 (SAKA)

Consolidation of RRBs

747. Shri Gutha Sukender Reddy:
Shri Konakalla Narayana Rao:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is planning to consolidate the Regional Rural Banks (RRBs) in the country and intends to bring down the number of banks to strengthen efficiency, productivity and robust financial health of RRBs and if so, the details thereof; and

(b) whether the Government has taken the opinion of the State Governments as they are the sponsors of RRBs and if so, the details thereof?

ANSWER

Minister of State in the Ministry of Finance

(SHIV PRATAP SHUKLA)

(a) & (b): With a view to enable Regional Rural Banks (RRBs) to minimize their overhead expenses, optimize the use of technology, enhance the capital base and area of operation and increase their exposure, the Government has initiated the process of consolidation of RRBs in the country. NABARD has suggested a road map which proposes to bring down the number of RRBs to 38 from the present 56.

The views of the concerned State Governments and Sponsor Banks have been sought on individual cases of amalgamation included in the roadmap and the same are considered, in consultation with NABARD, before taking a final decision.
