

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

**UNSTARRED QUESTION NO. 1809**

ANSWERED ON MONDAY, JULY 31, 2023/SRAVANA 9, 1945 (SAKA)

**Opening Branches of Nationalised Banks**

1809. SHRI OMPRAKASH BHUPALSIN ALIAS PAWAN RAJENIMBALKAR:  
SHRI KRIPANATH MALLAH:  
SHRI VINAYAK RAUT:  
SHRI SANJAY JADHAV:  
DR. SANGHMITRA MAURYA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the population of a region is the main basis for opening of branches of nationalised banks and whether the Government has a policy to have one Branch of any nationalised bank for every five thousand people;
- (b) if so, the details thereof and the criteria for opening of bank branches;
- (c) the number of Branches of Nationalised Banks operating on the basis of population in the aspirational Lok Sabha constituency of Dharashiv, Ratnagiri, Sindhudurg in Maharashtra, Cherangi, Karimganj in Assam and Parbhani and Badaun in Uttar Pradesh along with location-wise details thereof;
- (d) whether the day to day work load on the existing bank branches is increasing in view of the existing number of branches and the population;
- (e) if so, the proposal of the Government to urgently increase the number of nationalised bank branches in above-mentioned Aspirational constituencies of Maharashtra, Assam and Uttar Pradesh; and
- (f) if so, the details thereof and if not, the reasons therefor?

**Answer**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR BHAGWAT KARAD)**

(a) to (f) In terms of the revised guidelines issued by Reserve Bank of India (RBI) *vide* circular dated May 18, 2017 on 'Rationalization of Branch Authorization Policy' the term "Branch" has been substituted by "Banking Outlet (BO)" which includes both physical brick and mortar branches and Business Correspondent (BC) outlets, to enable banks in expanding their network even in remote rural areas in a cost-effective manner for hassle free services to customers.

Further, RBI has granted general permission to domestic Scheduled Commercial Banks (excluding Regional Rural Banks) to open banking outlets including branch 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 i.e. centres having population less than 10,000 (Tier 5 and Tier 6 centres).

Moreover, in pursuance of extant RBI guidelines, rolling out of banking outlets in uncovered areas is a continuous process looked after by the State/Union Territory (UT) Level Bankers' Committee (SLBC/UT), in consultation with the concerned State Government, member banks and other stakeholders. Banks, *inter-alia*, 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.

Accordingly, as and when any request for opening of branch is received, the same is forwarded to concerned SLBCs / UTLBCs for appropriate action in consultation with the State/UT Governments, Member banks & other stakeholders.

Currently, the endeavour of the Government is to ensure availability of banking outlet (Bank branch/ Business Correspondent/ India Post Payments Bank) within 5 kilometres of all inhabited villages in country. For this purpose, the Government has launched a Geographic Information System (GIS) based App., namely, Jan Dhan Darshak (JDD) App.

As apprised by the SLBC Assam, banking services is being provided in the Cheragi village, under the Karimganj Lok Sabha Constituency by the two Customer Service points (CSPs) of State Bank of India (SBI) and India Post Payments Bank (IPPB). Further, as apprised by the SLBCs, the number of branches of Nationalised Banks in the following Lok Sabha Constituencies of Maharashtra, Assam & Uttar Pradesh are as under:

<b>Lok Sabha Constituency</b>	<b>State Name</b>	<b>No. of Branches</b>
Dharashiv	Maharashtra	67
Ratnagiri	Maharashtra	163
Sindhudurg	Maharashtra	113
Parbhani	Maharashtra	55
Karimganj	Assam	56
Badaun	Uttar Pradesh	90

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