

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION No. 3202
ANSWERED ON 15th MARCH, 2021 (MONDAY)/PHALGUNA 24, 1942 (SAKA)

New Bank Branches

3202. SHRIMATI KESHARI DEVI PATEL:

Will the Minister of FINANCE be pleased to state:

- (a) the number of Sansad Adarsh Grams where new branches of the public sector banks have been opened under their branch expansion policy during each of the last five years, State-wise;
- (b) the number of branches of public sector banks opened in rural areas during the said period;
- (c) whether the Government has received representations from the public representatives for opening new branches/setting up ATMs of commercial banks under Sansad Adarsh Gram Yojana in the country and if so, the details thereof;
- (d) whether 100 per cent branches have been opened under the said scheme; and
- (e) if so, the number of branches demanded as well as actual opened in the Prayagraj district during the said period?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

- (a) to (e) In the year 2014, the National Mission for Financial Inclusion namely Pradhan Mantri Jan-Dhan Yojana (PMJDY) was launched. One of the pillars under the Yojana is to provide universal access to banking facilities.

As per extant guidelines dated 18.5.2017 on rationalisation 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 i.e. centres having population less than 10,000 (Tier 5 and Tier 6 centres). A 'Banking Outlet' for a Domestic Scheduled Commercial Bank, 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 (BC). 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.

To ensure availability of banking outlet (Bank branch/Business Correspondent), within 5 kilometers of all inhabited villages the Government has launched a Geographic Information System (GIS) based app., namely, Jan Dhan Darshak app (JDD app) developed by National Informatics Centre (NIC). Banks upload the GIS location of their branches, Business Correspondents (BCs) and Automated Teller Machines (ATMs) on the app. As per data uploaded by the banks on JDD app, out of the 5.53 lakh mapped villages on the app, 5.52 lakh (99.94%) villages are having branch or BC within 5 kilometers distance.

In view of importance of providing banking services under the Sansad 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 Sansad Adarsh Gram through a bank branch or fixed point online inter-operable BC or Kiosk.

The number of branches of public sector banks opened in rural areas during the last five years, as per RBI data, is as under:

Year	2015-16	2016-17	2017-18	2018-19	2019-20
Number of branches opened	1159	718	277	113	111

Further, as per RBI data, the number of BCs in the rural areas has increased from 3.84 lakh as on 31.03.2014 to 5.41 lakh as on 31.03.2020.

Representations from public representatives, as and when received, are forwarded to concerned State Level Banker's Committees (SLBCs). 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.

SLBC, Uttar Pradesh has informed that banking facilities in the district of Prayagraj are being provided through 618 bank branches, 735 ATMs, 1451 BCs, and 380 India Post Payments Bank centres. SLBC has further confirmed that banking services are available in all the centres of the Prayagraj district within a radius of 5 km through CBS enabled outlets.
