

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 4323.
ANSWERED ON MONDAY, MARCH 22, 2021/ 1 CHAITRA, 1943 (SAKA)

Banking Facilities in Bihar

4323. SHRI DINESH CHANDRA YADAV:

SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government of Bihar has submitted any proposal for opening of at least one branch of any Nationalised bank in each Panchayat in the state of Bihar;
- (b) if so, the details thereof including the status of this proposal; and
- (c) whether the Government of Bihar State has also raised this matter in the last meeting with the Niti Aayog and if so, the details thereof?

ANSWER

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

- (a) to (c) In the Sixth Meeting of the Governing Council of NITI Aayog held on February 20, 2021, the issue of establishment of Brick and Mortar bank branches in all Panchayats was raised by the Government of Bihar.

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).

To ensure availability of banking outlet (Bank branch/Business Correspondent), within 5 kilometres 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, as

on 26.02.2021, out of the 5.53 lakh mapped villages on the app, 5.52 lakh (99.94%) villages are having bank branch or BC within 5 kilometers distance.

In the state of Bihar, all the 39, 223 inhabited villages of Bihar mapped on JDD app, are having bank branch, BC or IPPB centre within 5 kilometres distance. Further, in Bihar, banking services are being provided through 7,840 Bank Branches, 31,448 Business Correspondents (BCs), 8,347 India Post Payment Bank (IPPB) centers and 6,362 ATMs.

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.
