

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

UNSTARRED QUESTION No. 94

TO BE ANSWERED ON MONDAY, JULY 19, 2021/ ASHADHA 28, 1943 (SAKA)

Banking Facilities in Rural Areas

94. SHRI DHARAMBIR SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware of such Gram Panchayats, Panchayat Samiti and Block Samiti in the country having population of more than 3000 where banking facilities are not available;

(b) if so, whether the Government proposes to provide banking facilities in such areas;

(c) if so, the details thereof and if not, the reasons therefor; and

(d) the details of the number of blocks in Haryana where not even a single branch of public or private sector bank exists at present, district-wise?

Answer

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

(a) to (c) To ensure availability of banking outlet [Bank branch/Business Correspondent (BC)] 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 have been provided login credentials to upload the GIS location of their branches, Business Correspondents and ATMs on the app.

As per data uploaded by the banks on JDD app, out of the 5.538 lakh mapped villages on the app, 5.534 lakh villages (99.93%) are having bank branch or BC within 5 kilometers distance.

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 BC.



Further, eleven Small Finance Banks and six Payment Banks have been licensed by RBI for providing banking services across the country including the rural centres.

In pursuance of RBI guidelines, rolling out of banking outlets in uncovered areas is a continuous process and looked after by State Level Banker's Committee (SLBC), 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.

(d) As informed by SLBC Haryana, all the Gram Panchayats and Blocks in the State are covered with bank branches / BCs for providing banking services.

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