

Government of India
Ministry of Finance
Department of Financial Services

Lok Sabha
Unstarred Question No. †2164
To be answered on the May 06, 2016/Vaisakha 16, 1938(Saka)

Regional Rural Banks

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Will the Minister of FINANCE be pleased to state:

- (a) the main objectives for setting up of Regional Rural Banks (RRBs) in the country and the guidelines which regulate the credit and other facilities being provided by these RRBs along with the number of RRBs presently functioning in the country, State-wise;
- (b) the details and the number out of them which are suffering with poor financial condition/closed down during the last three financial years, State-wise;
- (c) whether the Government has any proposal to provide any assistance for strengthening the RRBs, if so, the details thereof;
- (d) whether the Government has noticed any irregularities in functioning of RRBs, if so, the details thereof;
- (e) the steps taken by the Government to improve the performance of RRBs in this regard?

Answer
Minister of State in the Ministry of Finance
(JAYANTSINHA)

(a) to (e) Regional Rural Banks (RRBs) were set up under the Regional Rural Banks Act, 1976 with a view to develop the rural economy by providing credit for development of agriculture trade and commerce, industry and other productive activities in rural area particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs.

The State-wise details of RRBs, with their sponsor banks are furnished in **Annex-I**.

There are no cases during the last three financial years of RRBs which were closed down due to poor financial condition. Based on the audited financial position for the year 2014-15, the details of RRBs having accumulated losses for the last three years are given in **Annex-II**.

The Government had taken steps to infuse capital in the RRBs who are not in a position to maintain CRAR of 9% as stipulated by RBI. A total capital of Rs.2,206.02 crore has been infused in 39 RRBs as on 31st March 2016, out of which Golhas released a sum of Rs.1,101.70 crore. In BE 2016-17, a sum of Rs.140 crore has been allocated for recapitalisation of RRBs.

RRBs are regulated by the Reserve Bank of India and supervised by NABARD. In case of any irregularity noticed, the same is advised to the concerned RRB for rectification/ corrective action.

Government had initiated a process of structural consolidation of RRBs, in consultation with NABARD, State Government concerned and the sponsor banks. State level amalgamation process of RRBs was initiated in the first phase in 2005 to improve the operational viability, taking advantage of the economies of scale and also with a view to provide better customer service by having improved infrastructure, computerisation, experienced work force, common publicity and marketing opportunities. The second phase of further amalgamation was initiated across the Sponsor banks within a State during 2012. As a result, the total number of RRBs has come down to 56 as on date.

To strengthen the human resource of RRBs, Common Recruitment Examination was conducted during the year 2015-16. Reserve Bank of India has permitted Internet banking to RRBs for providing better customer service.

The performance of the RRBs, in the recent past, shows that they have responded well to the reform measures initiated by the Government.

Sr. No.	Name of Regional Rural Bank	State	Sponsor Bank
1	Andhra Pradesh GrameenaVikas Bank	Andhra Pradesh	State Bank of India
2	Andhra PragathiGrameena Bank	Andhra Pradesh	Syndicate Bank
3	Chaitanya Godavari Grameena Bank	Andhra Pradesh	Andhra Bank
4	SaptagiriGrameena Bank	Andhra Pradesh	Indian Bank
5	Arunachal Pradesh Rural Bank	Arunachal Pradesh	State Bank of India
6	Assam GraminVikash Bank	Assam	United Bank of India
7	LangpiDehangi Rural Bank	Assam	State Bank of India
8	Bihar Gramin Bank	Bihar	UCO Bank
9	Madhya Bihar Gramin Bank	Bihar	Punjab National Bank
10	Uttar Bihar Gramin Bank	Bihar	Central Bank of India
11	Chhattisgarh RajyaGramin Bank	Chhattisgarh	State Bank of India
12	Baroda Gujarat Gramin Bank	Gujarat	Bank of Baroda
13	Dena Gujarat Gramin Bank	Gujarat	Dena Bank
14	SaurashtraGramin Bank	Gujarat	State Bank of India
15	Sarva Haryana Gramin Bank	Haryana	Punjab National Bank
16	Himachal Pradesh Gramin Bank	Himachal Pradesh	Punjab National Bank
17	EllaquaiDehati Bank	Jammu & Kashmir	State Bank of India
18	J&KGrameen Bank	Jammu & Kashmir	J&K Bank Ltd.
19	Jharkhand Gramin Bank	Jharkhand	Bank of India
20	VananchalGramin Bank	Jharkhand	State Bank of India
21	Karnataka VikasGrameena Bank	Karnataka	Syndicate Bank
22	KaveriGrameena Bank	Karnataka	State Bank of Mysore
23	Pragathi Krishna Gramin Bank	Karnataka	Canara Bank
24	Kerala Gramin Bank	Kerala	Canara Bank
25	Central Madhya Pradesh Gramin Bank	Madhya Pradesh	Central Bank of India
26	MadhyanchalGramin Bank	Madhya Pradesh	State Bank of India
27	Narmada JhabuaGramin Bank	Madhya Pradesh	Bank of India
28	Maharashtra Gramin Bank	Maharashtra	Bank of Maharashtra
29	VidharbhaKonkanGramin Bank	Maharashtra	Bank of India
30	Manipur Rural Bank	Manipur	United Bank of India
31	Meghalaya Rural Bank	Meghalaya	State Bank of India
32	Mizoram Rural Bank	Mizoram	State Bank of India
33	Nagaland Rural Bank	Nagaland	State Bank of India
34	OdishaGramya Bank	Odisha	Indian Overseas Bank
35	UtkalGrameen Bank	Odisha	State Bank of India
36	PuduvaiBharthiarGrama Bank	Puducherry	Indian Bank
37	MalwaGramin Bank	Punjab	State Bank of Patiala
38	Punjab Gramin Bank	Punjab	Punjab National Bank
39	Sutlej Gramin Bank	Punjab	Punjab and Sind Bank
40	Baroda Rajasthan KshetriyaGramin	Rajasthan	Bank of Baroda

	Bank		
41	Rajasthan Marudhara Gramin Bank	Rajasthan	State Bank of Bikaner and Jaipur
42	Pallavan Grama Bank	Tamil Nadu	Indian Bank
43	Pandyan Grama Bank	Tamil Nadu	Indian Overseas Bank
44	Telangana Grameena Bank	Telangana	State Bank of Hyderabad
45	Tripura Gramin Bank	Tripura	United Bank of India
46	Allahabad UP Gramin Bank	Uttar Pradesh	Allahabad Bank
47	Baroda UP Gramin Bank	Uttar Pradesh	Bank of Baroda
48	Gramin Bank of Aryavart	Uttar Pradesh	Bank of India
49	Kashi Gomti Samyut Gramin Bank	Uttar Pradesh	Union Bank of India
50	Prathama Bank	Uttar Pradesh	Syndicate Bank
51	Purvanchal Bank	Uttar Pradesh	State Bank of India
52	Sarva UP Gramin Bank	Uttar Pradesh	Punjab National Bank
53	Uttarakhand Gramin Bank	Uttarakhand	State Bank of India
54	Bangiya Gramin Vikash Bank	West Bengal	United Bank of India
55	Paschim Banga Gramin Bank	West Bengal	UCO Bank
56	Uttar Banga Kshetriya Gramin Bank	West Bengal	Central Bank of India

(Rs. In Lakh)

S.No.	Name of RRB	State	Sponsor Bank	Accumulated Loss		
				31-Mar-13	31-Mar-14	31-Mar-15
1	2	3	4	5	6	7
1	Odisha Gramya Bank	Odisha	IOB	33962.69	32520.45	42284.88
2	Bangiya GVB	West Bengal	United Bank	26381.93	23154.16	19721.40
3	Ellaquai Dehati Bank	J & K	SBI	13762.97	13386.89	14249.64
4	Utkal Grameen Bank	Odisha	SBI	10945.89	6950.37	12810.56
5	Paschim Banga GB	West Bengal	UCO Bank	11694.31	9681.75	8932.44
6	Arunachal Pradesh RB	Arunachal	SBI	4257.17	4208.69	4190.68
7	Manipur Rural Bank	Manipur	United Bank	4089.25	4081.59	4073.76
8	Nagaland Rural Bank	Nagaland	SBI	867.26	862.06	952.08
9	Jammu & Kashmir GB	J & K	J & K Bank	1228.33	0.00	0.00
10	Vananchal GB	Jharkhand	SBI	1482.14	0.00	0.00
11	Mewar Anchalik GB *	Rajasthan	ICICI Bank	391.81	0.00	na
	ALL INDIA TOTAL			109063.75	94845.96	107215.44

* amalgamated with Marudhara GB and formed Rajasthan Marudhara GB during 2014-15