

Strengthening and modernising RRBs

2056. Dr. JANARDHAN WAGHMARE : Will the Minister of FINANCE be pleased to State :

- (a) the number of Regional Rural Banks (RRBs) Gramin Banks functioning in Maharashtra as on date;
- (b) whether Government had reviewed the working of these banks;
- (c) if so, the details thereof; and
- (d) the steps taken or being taken by Government to strengthen and modernise these banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) 3 Regional Rural Banks (RRBs) are functioning in the State of Maharashtra.

(b) and (c) The Government reviews the performance of RRBs on an ongoing basis. The performance of these 3 RRBs on some select parameters for 2010-11 are as under :

	Maharashtra Gramin Bank	Vidharbha Ksh. Gramin Bank	Waingang Krishna Gramin Bank
CD ratio	52.69	53.93	56.3
Deposits	274335.86	72527.00	126291.99
Advances	144541.73	39116.85	71108.02
Gross NPA%	5.24	4.06	5.47
Net NPA%	2.29	2.62	3.6
Net worth	13.047.57	4464.06	4472.22

(d) The steps taken to modernize and strengthen the technology up gradation of RRBs *inter-alia* include the following :

1. With the emphasis on the technology up gradation, all three RRBs functioning in the State of Maharashtra have migrated to the Core Banking Solution (CBS). These RRBs have also joined the National Electronic Fund transfer system enabling their customers to transfer funds across any other bank. With this RRBs will be benefited with reduced operational costs, faster customer services, integration of all products and services, improved risk management, mitigated operational Risk, real-time transaction processing and scaling up of operations etc.
2. The sponsor bank have been advised to operationally integrate RRBs with that of sponsor banks and take necessary action for human resource development in RRBs sponsored by them.

3. With a view to strengthen the management of RRBs, the sponsor banks have been given model guidelines for selection of Chairmen of RRBs based on the professional expertise, willingness and exposure in rural banking of the officer.

Low Financial Penetration in Mumbai and Delhi

2057. SHRI MOHD. ALI KHAN : Will the Minister of FINANCE be pleased to state :

- (a) whether Mumbai and Delhi rank low in financial penetration; and
- (b) If so, it details thereof and the reasons therefor; and
- (c) The steps being taken to correct the situation in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) to (c) As reported by Reserve Bank of India (RBI), the number of functioning scheduled commercial bank branches in the country as on 31.12.2011 was 92572. The average population per branch office (APPBO) in India as on 31.12.2011 is 13209. The APPBO in Delhi and Maharashtra as on 31.12.2011 is 6426 and 12710 respectively. As on 31.3.2012, the number of branches of scheduled commercial banks functioning in Delhi, Mumbai and Mumbai Suburban are 2631, 939 and 1188 respectively.

Expansion of banking network is an ongoing process. New branches of Banks are opened under the framework of Reserve Bank of India's (RBI) Branch Authorization Policy. While considering the proposals for opening new branches, banks *inter-alia* consider availability of existing branches, business potential and viability.

Loans give to Private Airlines

2058. SHRI K.N. BALAGOPAL : Will the Minister of FINANCE be please to state :

- (a) the details of the total amount of money already given to Private Airlines in the last five years, airlines-wise as loans by public banks along with its pay back status and the details of the counter guarantee the airlines submitted to the banks to get these loans ;
- (b) whether the reports that SBI is further extending a relief of Rs. 1,650 crores to Kingfisher Airlines is correct;
- (c) is so, the details of counter guarantee submitted by the airline; and
- (d) the reason behind this decision as the airline is already a defaulter of hundreds of crores to the SBI ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) The airline-wise details of total loans given to private airlines alongwith amount outstanding, as on 2nd quarter of 2011-12, are as under :