

Various options are being examined with a view to arrive at the most optimal solution which caters to the need for re-capitalisation as well as making Banks more efficient.

Expansion of banking facilities

1005. SHRI GARIKAPATI MOHAN RAO: Will the Minister of FINANCE be pleased to state:

(a) the number of under-banked districts and un-banked blocks in the country, State-wise;

(b) the measures taken to expand the banking facilities in the unbanked areas, particularly in Telangana and Andhra Pradesh;

(c) whether more than half of the villages in the country are not covered by any commercial bank branches; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) Reserve Bank of India (RBI) has informed that as per 2001 Population Census, there are 296 Underbanked districts in Underbanked States. State-wise details are given in Statement (*See* below). State Level Bankers' Committee (SLBC) of Andhra Pradesh and Telangana have confirmed that there are no unbanked blocks in these two States. By March 2012, all unbanked blocks existing at that time were covered with banking facilities either through branch, business correspondent or mobile banking.

As per information received from RBI, 10731 villages of Andhra Pradesh were allotted to banks through State Level Bankers' Committee (SLBC) for coverage and as at the end of June 2014, 10242 villages have been covered by 273 branches, 9944 have been covered by Business Correspondents (BCs) and 25 through other modes. In the State of Telangana, 6643 villages were allotted to banks through SLBCs for coverage and as at the end of June 2014, 5797 villages have been covered by 53 branches, 5700 have been covered by BCs and 44 through other modes like mobile banking.

In order to extend the banking network in unbanked areas, general permission has been granted by Reserve Bank of India (RBI) to domestic Scheduled Commercial Banks (other than Regional Rural Banks) to open branches/mobile branches/Administrative Offices/CPCs (Service Branches), (i) in Tier 2 to Tier 6 centres (with population upto

99,999) and (ii) in rural, semi-urban and urban centres of the North-Eastern States and Sikkim subject to reporting. RBI has advised banks that while preparing their Annual Branch Expansion Plan (ABEP), the banks should allocate at least 25 per cent of the total number of branches proposed to be opened during a year in unbanked rural (Tier 5 and Tier 6) centres.

(c) and (d) As on September 2014, there are 46224 branches of Scheduled Commercial Banks (SCBs) functioning in rural areas. In order to provide universal access to banking facilities with at least one basic bank account for every household, Prime Minister has launched Pradhan Mantri Jan-Dhan Yojana (PMJDY) on 28th August 2014 as a national mission on financial inclusion.

Statement

Underbanked districts in underbanked States (as per Census 2001)

Sl. No.	State	No. of Districts
1.	Arunachal Pradesh	8
2.	Assam	21
3.	Bihar	36
4.	Chhattisgarh	16
5.	Dadra and Nagar Haveli	1
6.	Jharkhand	16
7.	Madhya Pradesh	41
8.	Manipur	8
9.	Meghalaya	3
10.	Mizoram	2
11.	Nagaland	8
12.	Odisha	24
13.	Rajasthan	25
14.	Tripura	4
15.	Uttar Pradesh	63
16.	West Bengal	16
17.	Jammu and Kashmir	4
TOTAL		296