

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

UNSTARRED QUESTION No. 2595

Answered on Tuesday, December 21, 2021/ 30 Agrahayana, 1943 (Saka)

Financial inclusion metrics

2595. SHRI PRABHAKAR REDDY VEMIREDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that India has now surpassed China in financial inclusion metrics;
- (b) whether it is also a fact that bank branches per lakh in India are higher than China, Germany, South Africa, etc.;
- (c) if so, the details thereof;
- (d) whether it is a fact that the status in BIMARU States is not so encouraging;
- (e) if so, how Government is planning to push it up; and
- (f) the efforts being made by Government for banking correspondent for pushing interoperable?

Answer

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

(a) to (c) As per the latest Financial Access Survey (FAS) data of the International Monetary Fund (IMF) in terms of “number of bank branches per 100,000 adults”, India’s position is better than China. This indicates that the various initiatives taken by the Government and Reserve Bank of India in the direction of financial inclusion are having significant impact. (*Source: ECOWRAP Report, State Bank of India, issue No.44, FY22, dated 8.11.2021*)

As per this report, the number of bank branches per lakh population have increased from 13.6 in 2015 to 14.7 in 2020 in India, which is higher than China (8.8), Germany (9.4), and South Africa (9.2).

(d) As reported by banks, state-wise details of bank branches and banking touch points is **Annexed**.

(e) In terms of the revised guidelines issued by Reserve bank of India (RBI) vide circular on ‘Rationalization of Branch Authorization Policy’ No. DBR.BAPD.BC.69/22.01.001/2016-17 dated May 18, 2017, the term “Branch” has been substituted by “Banking Outlet (BO)” which includes both physical brick and mortar branches and Business Correspondent (BC) outlets to enable banks in expanding their network even in remote rural areas in a cost-effective manner for hassle free services to customers in rural areas.

Further, 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.

As informed by banks, as on 30.11.2021, there are 1.68 lakh bank branches and 4.73 lakh BCs including India Post Payments Bank (IPPB) in the country.

To further ensure identification and availability of banking outlet (Bank branch / Business Correspondent) within 5 kilometers of all inhabited villages, the Government has launched a Geographic Information System (GIS) based citizen centric App., namely, Jan Dhan Darshak App (JDD App), which helps customers to locate the nearest bank branch, BC and ATM. Banks upload the GIS location of their branches, Business Correspondents (BCs) and Automated Teller Machines (ATMs) on this App. As per data uploaded by the banks, as on 30.11.2021, out of the 5.538 lakh mapped villages on the App, 5.535 lakh (99.96%) villages are having a banking outlet (branch or BC) within 5 kilometers distance.

(f) Withdrawal transactions through BCs points in all Public Sector Banks (PSBs) are interoperable and customers of any bank can withdraw money at any BC.

**Annexure as referred to in part (d) of reply to the Rajya Sabha question No. 2595 for
21.12.2021 regarding "Financial inclusion metrics"**

S. No.	State	Banking Infrastructure as on 30.11.2021		
		No. of Bank Branches (A)	No. of BCs including India Post Payments Bank (IPPB) (B)	Total Banking Touch points (A+B)
1	Andaman & Nicobar Islands	199	28	227
2	Andhra Pradesh	7,939	23,595	31,534
3	Arunachal Pradesh	257	1,921	2,178
4	Assam	2,942	12,257	15,199
5	Bihar	7,857	39,995	47,852
6	Chandigarh	433	130	563
7	Chhattisgarh	3,295	13,411	16,706
8	Dadra & Nagar Haveli	118	278	396
9	Delhi	3,693	3,731	7,424
10	Goa	746	523	1,269
11	Gujarat	9,765	20,140	29,905
12	Haryana	5,751	9,241	14,992
13	Himachal Pradesh	2,230	4,929	7,159
14	Jammu & Kashmir	2,143	3,456	5,599
15	Jharkhand	3,548	14,105	17,653
16	Karnataka	11,138	17,962	29,100
17	Kerala	7,308	6,916	14,224
18	Ladakh	140	242	382
19	Lakshadweep	12	2	14
20	Madhya Pradesh	7,868	41,738	49,606
21	Maharashtra	17,112	46,294	63,406
22	Manipur	240	1,236	1,476
23	Meghalaya	490	1,397	1,887
24	Mizoram	246	682	928
25	Nagaland	210	778	988
26	Odisha	5,822	20,851	26,673
27	Puducherry	284	249	533
28	Punjab	7,346	9,208	16,554
29	Rajasthan	8,488	35,131	43,619
30	Sikkim	189	174	363
31	Tamil Nadu	11,945	25,542	37,487
32	Telangana	5,808	17,305	23,113
33	Tripura	797	1,212	2,009
34	Uttar Pradesh	19,489	66,118	85,607
35	Uttarakhand	2,686	5,151	7,837
36	West Bengal	9,767	27,630	37,397
	Total	1,68,301	4,73,558	6,41,859

Source: Banks