

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 191

To be answered on the 18th July 2022/Ashadha 27, 1944 (Saka)
Merger of Banks

191. DR. T. SUMATHY (a) THAMIZHACHI THANGAPANDIAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that most of the Public Sector Banks (PSBs) would be merged or disinvested by the end of 2023-24;
- (b) if so, the details thereof and the total numbers of PSBs in Tamil Nadu both in urban and rural areas;
- (c) the steps taken by the Government to extend the quality banking services to common people particularly in rural areas of Tamil Nadu; and
- (d) the measures taken by the Government to appoint bank officials with knowledge of Tamil language in Tamil Nadu, especially in the rural areas?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KARAD)

(a): The Finance Minister, in her speech on the Union Budget for the year 2021-22, announced the Government's intent to take up the privatisation of two Public Sector Banks (PSBs) and the approval of a policy of strategic disinvestment of Public Sector Enterprises (PSE). As per the New PSE policy for Atmanirbhar Bharat, the objectives of the policy include enablement of growth of public sector enterprises through infusion of private capital, thereby contributing to economic growth and new jobs, and financing of social sector and development programmes of the Government.

(b): As per RBI data, the total numbers of branches of PSBs operating in Tamil Nadu, as on 31.03.2022, were 6235 comprising 1871 in rural areas, 886 in urban areas and 3478 in other areas (metro and semi-urban).

(c): The steps taken by the Government to extend the quality banking services to common people, including those in rural areas of Tamil Nadu, are as following:

1. The ease of access to banking services strengthened by ensuring every village to have at least one banking outlet, branch or business correspondent within a 5 kilometre distance has enabled coverage of 99.97% inhabited mapped villages through Jan Dhan Darshak app, across the country.
2. The JAM trinity (Jan Dhan accounts linked to Aadhar and mobile of the account holders) has ensured delivery of banking services to the otherwise unbanked sections of the population, and enabling these new-to-banking customers to receive government subsidies as Direct Benefit Transfer besides access to remittances, credit and insurance products.
3. Implementation of EASE, the PSB reforms agenda, has enabled, *inter alia*, setting up of loan management systems and centralised processing centres at PSBs, end-to-end automated digital lending for loans to micro-enterprises, MSMEs and retail loans thus improving the turn-around-time (TAT) of processing and sanction of loans and credit access to individuals, including the common working class.
4. Financial Literacy camps are organised at regular intervals to bring awareness amongst the common people regarding availability of banking facilities, including social security coverage for the customers.

(d): In the PSBs, officials are recruited on all-India basis and are subject to transfers all over India. Banks conduct language workshops for bank officials to learn communicative skills in regional languages, which include Tamil, with an aim to be accessible to the local people and to extend quality banking services to them. Additionally, to enable ease of accessibility to banking services and to ensure that language is not a barrier, banks have taken the following steps:

1. Display of indicator boards at all the counters in Tamil, in addition to Hindi and English language.
2. Booklets, consisting of all details of service and facilities are made available in Tamil Language.
3. All printed material to be used by customers including account opening forms, pass books, etc. are made available in trilingual including Tamil.
4. Availability of redressal of customer grievances in Tamil.
5. Availability of the customer usage options of Tamil in all ATMs installed in the state.
6. Availability of local language customer-interface for smart banking digital channels like mobile banking, internet banking and call centres.
