

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2128
ANSWERED ON:01.12.2000
LOCAL AREA BANKS
ARUN KUMAR

Will the Minister of FINANCE be pleased to state:

- (a) the number of proposals received from different States to open Local Area Banks;
- (b) whether the public response to such type of banks is not sufficient; and
- (c) if so, the steps taken by the RBI to review the guidelines in this respect?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

- (a) Reserve Bank of India have received a total of 222 applications for setting up of Local Area Banks in different States in private sector up to the Quarter ended June,2000.
- (b) The Scheme for setting up of Local Area Banks in private sector has received adequate response from the public.
- (c) Do not arise in view of (b) above.