

An Extract from the FM's Budget 2009-10 Speech

.....40. For a country like ours, with significant sections of unbanked population and regions, financial inclusion is vital for sustaining long term equitable development. As part of the financial inclusion drive, scheduled commercial banks have been opening 'no frills' accounts either with 'nil' or very low minimum balances. So far, these banks have opened 3.3 crore such accounts. The RBI has announced a further relaxation in its Branch Authorisation Policy. Scheduled Commercial Banks are now allowed to set up off-site ATMs without prior approval, subject to reporting.

41. Despite the expansion of banking network in the country, there are still some areas that remain under-banked or unbanked. A sub-committee of State Level Bankers Committee (SLB C) will identify such areas and formulate an action plan for providing banking facilities to all these areas in the next 3 years. I propose to set aside Rs.100 crore during the current year as one-time grant-in-aid to ensure provision of at least one centre/Point of Sales (POS) for banking services in each of the unbanked blocks in the country.....