GOVERNMENT OF INDIA FINANCE LOK SABHA

UNSTARRED QUESTION NO:6145
ANSWERED ON:05.05.2000
WEAK PUBLIC SECTOR BANKS
BHAWANA GAWALI (PATIL);CHANDRA BHUSHAN SINGH;DILIP KUMAR MANSUKHLAL GANDH;T.T.V.
DHINAKARAN;UMMAREDDY VENKATESWARLU

Will the Minister of FINANCE be pleased to state:

- (a) whether the names of the weak public sector banks that have been considered non-viable by the Government;
- (b) the quantum of outstanding loans given by these weak banks, bank-wise;
- (c) whether the Government proposed to allow foreign banks to take over these banks;
- (d) if so, the details thereof and if not the reasons therefor;
- (e) whether the Government propose to provide funds for recapitalisation of these weak banks; and
- (f) if so, the details thereof?

Answer

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

- (a) None of the weak public sector banks has been considered non-viable.
- (b) Does not arise.
- (c) There is no proposal to allow foreign banks to take over any public sector bank.
- (d) Does not arise.
- (e)&(f) Recapitalisation of the weak banks will be considered provided restructuring programmes acceptable to the Government and the RBI are made available by the concerned banks.