

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7791
ANSWERED ON:17.05.2002
VINAYAK LOCAL AREA BANK
RAM MURTI SINGH VERMA

Will the Minister of FINANCE be pleased to state:

- (a) whether depositors' money has been paid by Vinayak Local Area Bank, Sikar (Rajasthan) which has been closed by RBI; and
(b) if not, the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N.RAMACHANDRAN)

(a) and (b): Reserve Bank of India (RBI) has reported that Vinayak Local Area Bank Ltd., Sikar, whose licence was cancelled on 16.1.2002, has been repaying the depositors' money. Further, a sum equivalent to the deposits etc. liability of the bank has been kept in a special Escrow Account with the State Bank of India, Sikar Branch and Vinayak Local Area Bank Ltd. has been directed to repay all deposits to the depositors' out of the balance held in the Escrow Account. The bank has confirmed that all the depositors have been fully paid in cash/bank cheques and sufficient balance as reserve is kept with SBI, Sikar for unclaimed amount.