

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:362

ANSWERED ON:05.09.2012

EMPOWERMENT OF RRBS

Devi Aswamedh;Muttamwar Shri Vilas Baburao

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government had proposed a package for empowerment of Regional Rural Banks (RRBs) in 2009 wherein the Union Government, State Governments and sponsoring banks to share the amount;
- (b) if so, the details thereof indicating the proportion in which the said expenditure was to be shared between different parties;
- (c) whether the said amount has been provided by all the parties;
- (d) if so, the details thereof indicating the amount allocated/released and utilised during the last three years and the current year; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P. CHIDAMBARAM)

(a), (b),(c),(d) and (e) A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a), (b),(c), (d) and (e) of Lok Sabha Starred Question No. 362 to be answered on 5th September, 2012 regarding Empowerment of RRBS

(a) to (e): A scheme for recapitalization of 40 financially weak Regional Rural Banks (RRBs) was approved by the Government of India in 2010-11. The total estimated recapitalization assistance of Rs. 2,200 crore was to be shared by the Central Government, the concerned State Government and Sponsor Banks in proportion of 50%, 15% and 35% respectively. The release of Central Government's share was subject to release of the concerned State Government's and Sponsor Bank's shares. So far, the Government of India, State Governments and Sponsor Banks have released Rs. 668.92 crore, Rs. 235.58 crore and Rs. 549.61 crore respectively as their respective share towards recapitalization of RRBS.