

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1283
ANSWERED ON:30.11.2012
FINANCIAL HOLDING COMPANY
Sivasami Shri C.

Will the Minister of FINANCE be pleased to state:

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- (a) whether a proposal to set up a financial holding company raise resources to meet capital needs of public sector banks is under consideration of the Government;
- (b) if so, the details thereof;
- (c) whether the Government has received any suggestions from the Reserve Bank of India (RBI) in this regard; and
- (d) if so, the details thereof along with the action taken by the Government thereon?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (d): The Finance Minister in his Budget Speech 2012-13 had announced that the Government would examine the possibility of creating a financial holding company which will raise resources to meet the capital requirements of Public Sector Banks. In line with the above announcement, the matter is under examination in consultation with Reserve Bank of India.