

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3241
ANSWERED ON:30.08.2013
SETTING UP HOLDING COMPANY OF BANKS
Punia Shri P.L.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has set up / proposes to set up a financial holding company to raise resources to meet capital needs of public sector banks;
- (b) if so, the details and the present status 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): To meet the long-term needs of capital of Public Sector Banks (PSBs), the Government in consultation with Reserve Bank of India (RBI), is considering formation of Holding Company. The matter is under consultation with Department of Legal Affairs and Legislative Department.