

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1551
ANSWERED ON:13.12.2013
CAPITAL ADEQUACY RATION IN RRB .
Jakhar Shri Badri Ram

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to maintain minimum tier-capital adequacy ratio in Regional Rural Banks (RRBs)/Public Sector Banks (PSBs) by recapitalization;
- (b) if so, the details thereof along with the details of the funds likely to be arranged in this regard; and
- (c) the names of the PSBs likely to be assisted in this manner?

Answer

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

a),(b) and (c) In order to enhance Capital to Risk weighted Assets Ratio (CRAR) of Regional Rural Banks (RRBs) and to improve their functioning, a scheme for recapitalization of 40 financially weak RRBs was started in 2010-11.

The total estimated recapitalization amount of Rs. 2,200 crore was to be shared by the stake holders in proportion of their share holding in RRBs i.e. Central Government (50%), concerned State Government (15%) and Sponsor Bank (35%). Except in case of 2 RRBs in Uttar Pradesh and 1 RRB in Mizoram, the recapitalization process has been completed. The Government has extended the scheme up to 2013-14.

Government has approved infusion of capital to the tune of Rs. 14,000 crore for the following Public Sector Banks (PSBs) for 2013-14 to enable them to maintain comfortable level of tier-I CRAR over and above the regulatory requirement under Basel-III:

Sl. No.	Name of Bank	Amount (Rs.in Crore)
1	Allahabad Bank	400
2	Andhra Bank	200
3	Bank of Baroda	550
4	Bank of India	1000
5	Bank of Maharashtra	800
6	Canara Bank	500
7	Central Bank of India	1800
8	Corporation Bank	450
9	Dena Bank	700
10	IDBI Bank Ltd.	1800
11	Indian Overseas Bank	1200
12	Oriental Bank of Commerce	150
13	Punjab & Sind Bank	100
14	Punjab National Bank	500
15	Syndicate Bank	200
16	UCO Bank	200
17	Union Bank of India	500
18	United Bank of India	700
19	Vijaya Bank	250
20	State Bank of India	2000
	Total	14000