

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 3423**  
ANSWERED ON July 15, 2019/*Ashadha* 24, 1941 (*Saka*)

**PRIVATISATION OF RRBs**

3423. SHRI RAVIKUMAR D.:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any plan to privatize the Regional Rural Banks (RRBs) in the country;
- (b) if so, the details thereof; and
- (c) if not, the measures taken by the Government to strengthen the RRBs in the country?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI ANURAG SINGH THAKUR)

(a) & (b): There is no proposal under consideration of the Government to privatize the Regional Rural Banks (RRBs).

(c): The measures taken by the Government to strengthen the RRBs are as under:

1. Amalgamation of RRBs within a State has been carried out with a view to enable RRBs to minimize their overhead expenses, optimize the use of technology, enhance the capital base and area of operation and increase their exposure.
2. Recapitalisation support is provided to RRBs to augment their capital so as to comply with regulatory capital requirements.
3. Periodic review of financial performance of RRBs, including business diversifications, profit planning, revenue management and NPA management through conduct of national level meetings by NABARD and through Empowered Committee (EC) meetings at state level.
4. Regular Capacity building efforts are undertaken by NABARD like training at Bankers Institute of Rural Development (BIRD), conduct of Organizational Development Initiative (ODI), exposure visits, etc.
5. NABARD provides regular policy support to RRBs in matters relating to human resources and an arrangement has been made for redressal of grievances through Joint Consultative Committee (JCC).

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