

**GOVERNMENT OF INDIA  
FINANCE AND COMPANY AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:3776  
ANSWERED ON:13.12.2002  
MERGER OF BANKS  
Y.G. MAHAJAN

**Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:**

- (a) whether any proposal for merger of some banks is pending with the RBI;
- (b) if so, the reasons for pending the said proposal;and
- (c) the time by which the Government is likely to take a decision thereon?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL):

(a) to (c) Yes, Sir. The Nedungudi Bank Ltd. has been placed under moratorium on account of its deteriorating financial position. A draft Scheme of amalgamation of Nedungudi Bank with Punjab National Bank has been sent to these banks by Reserve Bank of India (RBI) for their comments. Final decision will be taken on receipt of comments from these banks.