

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4017  
ANSWERED ON:22.08.2003  
CAPITAL SUPPORT TO RRB  
BASUDEB ACHARIA

**Will the Minister of FINANCE be pleased to state:**

- (a) the amount of capital support so far extended by the Government to the Regional Rural Banks now lying with sponsor banks;
- (b) whether the Government have decided to give capital support to the RRBs which have not received any capital support so far; and
- (c) if so, the action taken in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIANANDRAO V. ADSUL)

(a) Central Government have so far released a total of Rs 1094.21 crore towards recapitalisation of Regional Rural Banks (RRBs). The Sponsor Banks have also released their proportionate share of 35%. A total amount of Rs 344.98 crore (including proportionate share of Rs.142.05 crores of Sponsor Banks) is lying in the Share Capital Deposit Account with Sponsor Banks, as several State Governments have not released their proportionate share of 15%.

(b) & (c): Out of 1% RRBs, 9 RRBs have not been provided recapitalisation support so far of which two RRBs have already achieved sustainable viability. Due to budgetary constraints, the process of recapitalisation of RRBs could not be continued. In view of the improved financial performance of RRBs it is expected that the RRBs will be able to stand on their own in the near future.