

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:868
ANSWERED ON:28.07.2000
SUBSIDY UNDER PMRY
CHANDRA BHUSHAN SINGH

Will the Minister of FINANCE be pleased to state:

- (a) whether public and private sector banks are retaining excess amount towards subsidy under PMRY;
- (b) if so, the number of such instances came to the notice of the Government during each of the last three years, bank-wise; and
- (c) the action taken or proposed to be taken by the Government against such defaulting banks ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a) to (c) The Reserve Bank of India (RBI) has reported that the Public Sector and Private sector banks do not retain excess subsidy amounts under Prime Minister's Rozgar Yojana (PMRY). Banks have been allowed to utilise the excess subsidy amount if any, after settlement of the claims relating to a particular programme year toward the subsidy claims of the next programme year as the sanction and disbursement of loan amounts under the scheme is a continuous process. RBI at the instance of Government, issued circular to all scheduled Commercial banks for adjustment of surplus subsidy for programme years 1993-94 to 1996-97 towards subsidy requirements of programme year 1997-98. Further, the banks have been clearly instructed to ensure that the subsidy amount for the respective programme years, wherever so adjusted are clearly indicated in the statement to be furnished by banks. The final reconciliation in respect of subsidy is also to be submitted to RBI by banks.