

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2604
ANSWERED ON:17.03.2006
BANKS IN SOCIAL ACTIVITIES
Argal Shri Ashok

Will the Minister of FINANCE be pleased to state:

- (a) the percentage of the income of the Public Sector Banks to be spent on the social activities; and
- (b) the details of the social activities being undertaken from this income in the country particularly in Madhya Pradesh during 2004-2006 ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

a):- As per the Reserve Bank of India (RBI) guidelines dated 21st December, 2005 the profit making banks may make donations during a financial year aggregating upto one per cent of the published profit of the banks for the previous year towards setting up professional chairs, granting fellowships/scholarships for studies and research at universities and approved institutions and for commissioning special projects for investigation, analysis and research for areas pertaining to banking, finance, statistics, management and economics, etc. However, donations for Prime Minister's National Relief Fund and subscriptions to professional bodies/institutions related to banking industry are excluded from the limit indicated above.

(b):- The existing management information system of Reserve Bank of India does not generate the information asked for.