

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:589  
ANSWERED ON:25.11.2005  
RRBS DEPOSITS WITH SPONSOR BANKS  
Acharia Shri Basudeb

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

- (a) the amount of Regional Rural Banks (RRBs) deposited with sponsor banks both in SLR and non-SLR ;
- (b) the rate of interest offered to RRB by sponsor^ banks on SLR, non SLR and, special current accounts ;
- (c) the amount of refinance taken by RRB from Sponsor Bank; and
- (d) the percentage of refinance of sponsor bank and NABARD to the total outstanding advance of RRBs ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a): As per the information furnished by NABARD, on the basis of the provisional data provided by the Sponsor Banks, the SLR and non-SLR deposits of RRBs as on 31 March 2005 is Rs.1923744.76 lakh and Rs.1517174.89 lakh, respectively :
- (b): As per the RBI instructions to sponsor banks, they are required to pay interest, on SLR terms deposits of RRBs held with them, at 0.5 per cent above the maximum term deposit interest rate of sponsor banks. RBI has not prescribed and interest rate payable by sponsor banks on non-SLR deposits of RRBs. However, in respect of current account balances maintained by RRBs with their sponsor banks the interest is paid by sponsor banks at such rates, as may be mutually agreed to.
- (c): The amount of refinance taken by RRBs from sponsor banks in the year 2004-05 is Rs.441.37 crore.
- (d): The percentage of refinance of sponsor banks and NABARD to the total outstanding advances of RRBs as on 31 March 2005 forms 1.34% and 15.44%, respectively.