

LOK SABHA
UNSTARRED QUESTION NO- 93
ANSWERED ON 18.11.2019/KARTIKA 27, 1941 (SAKA)
KERALA BANK

93. ADV. DEAN KURIAKOSE:

SHRI THOMAS CHAZHIKADAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government has permitted the Government of Kerala to start a scheduled bank called 'Kerala Bank';

(b) if so, the details thereof including the details of permission/clearance granted by the RBI in this regard;

(c) whether the RBI has conducted any study to analyze the impact on primary cooperative banks due to the introduction of Kerala bank; and

(d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) & (b): Reserve Bank of India (RBI) has reported that it has accorded final approval to the proposal of the Government of Kerala to amalgamate with the Kerala State Cooperative Bank Ltd, thirteen District Central Cooperative Banks (DCCBs) in Kerala (Thiruvananthapuram, Kollam, Alappuzha, Idukki, Ernakulam, Kottayam, Pathanamthitta, Thrissur, Palakkad, Kozhikode, Wayanad, Kannur and Kasaragod) that have approved the Scheme of Amalgamation (SOA) at least by a simple majority in their General Body Meeting. However, the said approval shall be contingent upon the Hon'ble High Court of Kerala upholding the validity of the amendment made to the provisions of Section 14A of the Kerala Co-operative Societies Act and Government of Kerala complying with certain conditions stipulated by RBI. The approval shall be valid for a period of six months till March 31, 2020.

(c) & (d): RBI has reported that no study to analyse the impact on primary co-operative banks due to the introduction of Kerala Bank has been conducted by them.
