

Government of India
Ministry of Finance
Department of Financial Services

LOK SABHA
Unstarred Question No. 2468

To be answered on March 11, 2016/Phalgun 21, 1937 (Saka)
NABARD Loan

2468.SHRIMATI MAUSAM NOOR:

Will the Minister of FINANCE be pleased to state:

- (a) whether there is a delay in depositing of lending shortfall by the private banks that failed to meet the mandatory level of priority sector lending;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the corrective measures taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance
(Shri Jayant Sinha)

(a) to (c): Reserve Bank of India (RBI) and National Bank for Agriculture & Rural Development (NABARD) have reported that SBER Bank, a Foreign Bank, had delayed depositing funds into Rural Infrastructure Development Fund (RIDF) and other funds, following shortfall in meeting priority sector lending targets.

RBI directed SBER Bank, vide its letter dated 12.01.2016, to place the deposits forthwith, failing which the bank will attract regulatory action under Banking Regulation Act, 1949. SBER Bank represented and sought personal hearing in the matter which was granted on 03.02.2016. RBI advised the Bank during the hearing to place the deposits as requisitioned by NABARD.