

economy while maintaining a healthy and comfortable level of regulatory Capital to Risk-weighted Assets Ratio, Government has proposed to provide capital funds to these banks through World Bank assistance. However, the details in this regard including the exact amount of capital to be provided to the PSBs have not been finalised.

Special insurance scheme for swine flu

†1065. SHRI MOTILAL VORA:

SHRI SATYAVRAT CHATURVEDI:

Will the Minister of FINANCE be pleased to state:

(a) whether insurance companies are contemplating a special insurance scheme for swine flu;

(b) whether it is a fact that some foreign insurance companies are trying to insure people suffering from this disease on the pretext of swine flu; and

(c) if so, whether the foreign insurance companies specially American companies have been allowed to do insurance business in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) No, Sir. However, the existing health insurance policies such as Mediclaim Policy or the Overseas Mediclaim Policy do not exclude hospitalization due to swine flu.

(b) and (c) As per the provisions of Insurance Act 1938 and IRDA Act 1999, no foreign insurance Company is allowed to insure people in India; only Indian Insurance Companies which are licensed and registered with IRDA are permitted to transact insurance business in India.

Infusion of money into the banking system

†1066. SHRI SHIVANAND TIWARI:

SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in order to offset the effect of global economic recession on Indian economy, Government has through the Reserve Bank of India, infused money into the Indian banking system in three installments;

(b) if so, the details thereof; and

(c) the amount of extra provision for the use of banking system from October, 2008 to June, 2009?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) to (c) With a view to mitigate the impact of the global economic recession on the Indian economy, the Reserve Bank of India (RBI) initiated measures, which included reduction in the Cash Reserve Ratio (CRR) from 9 per cent of Net Demand and Time Liabilities (NDTL) to

†Original notice of the question was received in Hindi.

5 per cent in a phased manner. Besides, the Statutory Liquidity Ratio (SLR) was also reduced by 1 per cent of NDTL from 25 per cent to 24 per cent. In addition successive reductions in repo and reverse repo rates were announced to provide for liquidity in the monetary system. Some other facilities were also initiated to augment liquidity and to ensure that credit continues to flow to the productive sectors of the economy.

As per the RBI, the measures have resulted in augmentation of actual/potential liquidity in the banking system of about Rs. 4.49 lakh crore (from mid September 2008 till June 2009); in addition, the permanent reduction in the SLR by 1.0 per cent of the NDTL has made available liquid funds of the order of Rs. 40,000 crore for the purpose of credit expansion. The details are given below:

Table: Actual/Potential Release of Primary Liquidity – since Mid September, 2008 till June 2009

S.No.	Measures/Facility	Amount (Rs. crore)
1.	CRR Reduction	1,60,000
2.	Unwinding/Buyback/De-sequestering of Market Stabilisation Scheme securities	1,54,927
3.	Term Repo Facility	60,000
4.	Increase in Export Credit Refinance	35,434
5.	Special Refinance facility for Scheduled Commercial Banks (Non Regional Rural Banks)	38,429
Total (1 to 5)		4,48,790
<i>Memo: Statutory Liquidity Ratio (SLR) reduction</i>		40,000

Source: RBI

Fallout of global economic crisis

1067. SHRI SYED AZEEZ PASHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that more than 10 lakh workers have lost their jobs as a fallout of the ongoing global economic crisis;

(b) if so, the details thereof; and

(c) the measures taken by Government to face the global crisis?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) and (b) While no comprehensive employment data giving definite estimate is available for the recent period, some sample surveys have indicated employment losses in the wake of global economic slowdown. In a sample survey conducted by Labour Bureau covering 2581 units in