

Role of public sector banks in development of villages

***228. SHRI MOINUL HASSAN:** Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that many Public Sector Banks adopt different villages for development;
- (b) if so, the details thereof, State-wise; and bank-wise;
- (c) whether there is any target for adopting villages for socio-economic development; and
- (d) if so, the details thereof along with the performance report of various banks, bank-wise?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) to (d) Public Sector Banks are not required to adopt different villages for development as part of any policy guidelines. However, earlier as part of the Service Area Approach, banks were allocated specific villages to their designated branches, generally in geographically contiguous areas. The over all development and the credit needs of these villages were to be taken care of by the respective branches. Subsequently, as it was observed that service area restrictions were a limiting factor for credit deployment, the restrictive provisions were removed in 2004, except for the Government Sponsored programmes.

Further, as part of Reserve Bank of India's Lead Bank Scheme, each State has a State Level Bankers Committee (SLBC) with a designated convener bank. Similarly, at the district level there exists a District Consultative Committee with a designated Lead Bank for the district. Recently as part of financial inclusion efforts, the SLBCS have been asked to constitute a sub-committee of the District Consultative Committees (DCCs) to draw up a roadmap by March 2010 to provide banking services through a banking outlet in every habitation having a population of over 2000.

However, individual banks with the approval of their Boards, adopt villages for development as part of good corporate governance practices. Thus, there are no specified targets given by Government for adoption of villages by banks, in this regard. The State Bank of India (SBI), has

reported that it is implementing a Scheme called "SBI ka apna Gaon Scheme" with the objective of total financial inclusion, meeting their credit needs and also to transform the village into a model village by improving the quality of life of the population. A total of 656 villages have been adopted during the three year period from 2007-08 to 2009-10 with a target of one village per region per year. An additional target of around 250 villages has been allotted by SBI for the financial year 2010-11 taking the total number of 4 villages per region per year.

Secret Swiss accounts of Indians

*229. SHRI RAM JETHMALANI: Will the Minister of FINANCE be pleased to state:

(a) whether Government admits that it knows of an offer publicly made on behalf of the Government of Germany that without any charge they are willing to share information about the identity of Indians holding secret foreign accounts in Swiss banks covering billions of US dollars;

(b) whether Government had received the names of some of these account holders on or before 18 March, 2009;

(c) whether Government has made it clear that it is interested in investigating these cases of money-laundering; and

(d) the steps taken by the Government till date to retrieve these amounts in the wake of the election promise of Hon'ble Prime Minister to bring back the money within 100 days?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) Immediately after becoming aware through media reports published on 27th February, 2008 that German Government was willing to share information available with it in respect of account holders in LGT Bank, Liechtenstein, a letter was addressed by the Central Government seeking such information relating to Indian account holders on 27 February, 2008. The matter was persistently followed time and again with the German Government and finally the information was made available to the Central Government on 18th March, 2009. However the Government is not aware of any such offer publicly made on behalf of the Government of Germany with respect to Swiss banks.

2. The information was provided by the German Government under the Article concerning exchange of information of the Double Taxation Avoidance Agreement (DTAA) between India and