

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) to (c) No Regional Rural Banks (RRBs) are proposed to be merged with nationalised banks.

However, two RRBs namely Nainital Alamora Kshetriya Gramin Bank and Uttaranchal Gramin Bank which were the only RRBs functioning in the State of Uttarakhand have been amalgamated into one RRB namely Uttarakhand Gramin Bank on 1st November, 2012 under sponsorship of State Bank of India.

Non-life insurance business

2227. DR. K.P. RAMALINGAM : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the non-life insurance business is at present estimated at less than one per cent of the GDP;

(b) if so, the details thereof;

(c) whether it is also a fact that Government has asked the non-life insurance companies to come up with specific proposal to increase penetration of non-life insurance business in the country; and

(d) if so, the details thereof and the response received from the non-life insurance companies in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) and (b) As per Insurance Regulatory and Development Authority (IRDA) the non-life insurance business was 0.70% of GDP in 2011.

(c) and (d) The Public Sector General Insurance Companies (PSGIC) duly assessing the market potential have decided to open branches up to tier IV cities in the country. This would help in increasing insurance penetration in the country.

Tax savings for disabled persons

2228. SHRI UPENDRA KUSHWAHA : Will the Minister of FINANCE be pleased to state:

(a) whether disabled persons are entitled for higher rate of interest on their savings in banks;

(b) if so, the reasons for deducting TDS from interest accruing on their deposits by banks;

(c) the steps taken to stop deducting TDS on interest from deposits made by disabled persons; and

(d) the details of facilities and privileges provided by banks to disabled persons?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) Savings bank deposit interest rate for residents including disabled persons have been deregulated as per Reserve Bank of India (RBI) guidelines. These guidelines require banks to offer uniform interest rates for savings bank deposits upto Rs. 1 lakh. Differential interest rates can be provided for savings bank deposits above Rs. 1 lakh subject to the condition that banks will not discriminate in the matter of interest paid on such deposits, between one deposit and another of similar amount, accepted on the same date, at any of its offices.

(b) and (c) Tax Deduction at Source (TDS) on interest paid to disabled persons is done as per provisions of Income Tax Act, 1961, as amended from time to time.

(d) Under Government Sponsored Schemes some reservations/concessions are available to the disabled persons. RBI has also advised banks to provide all banking facilities to visually challenged persons without any discrimination as they are legally competent to contract.

Decreased assets of general households

†2229. SHRI RAVI SHANKAR PRASAD : Will the Minister of FINANCE be pleased to state:

(a) whether Government attention has been drawn towards the news-item published in media on 11th October, 2012 captioned as “Indian households wealth eroded but millionaires set to grow”;

(b) if so, whether it is also a fact that assets of general households have decreased while assets of wealthy people keep on increasing; and

(c) if so, the facts thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) to (c) Based on the Credit Suisse Global Wealth Databook 2012, a few newspapers have published some of the findings of the Databook under the head ‘Indian households wealth eroded but millionaires set to grow’ which says