

rolling target for expenditure indicators with a view to undertaking a de-novo exercise for allocating resource for prioritized schemes and weeding out others that have outlived their utility. It would also encourage efficiencies in expenditure management.

- (e) Does not arise.

New banking guidelines

3157. DR. PRABHAKAR KORE: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government proposes to allow corporate and public sector entities to enter into banking sector;
- (b) if so, whether Government has issued any guidelines in this regard;
- (c) if so, the details thereof; and
- (d) the number of such banks opened till date, State-wise and district-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) To promote financial inclusion and further infuse competition in the banking sector, the Reserve Bank of India (RBI) has released "Guidelines for licensing of New Banks in Private Sector" vide Press Release dated February 22, 2013. As per these guidelines the entities / groups in the private sector that are 'owned and controlled by residents' [as defined in Department of Industrial Policy and Promotion (DIPP) Press Note 2, 3 and 4 of 2009 / FEMA Regulations as amended from time to time] and entities in public sector shall be eligible to promote a bank through a wholly-owned Non-Operative Financial Holding Company (NOFHC). Promoters/Promoter Groups as defined in these guidelines should be 'fit and proper' in order to be eligible to promote banks through a wholly owned NOFHC. The detailed guidelines are available on the RBI website at www.rbi.org.in.

- (d) As per the guidelines, applications for setting-up of banks can be made on or before 01.07.2013. RBI has informed that as on date no applications for licence under the guidelines have been received and no licence has been granted under these new guidelines.