

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (d) The Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980 provide that the Central Government, in consultation with the Reserve Bank of India (RBI), may make a scheme, *inter alia*, for the amalgamation of any nationalised bank with any other nationalised bank or any other banking institution. Various committees, including Narasimhan Committee (1998) constituted by RBI, Leeladhar Committee (2008) chaired by RBI Deputy Governor, and Nayak Committee (2014) constituted by RBI, have recommended consolidation of Public Sector Banks (PSBs) given underlying benefits/synergies. Taking note of this and potential benefits of consolidation, Government, with a view to facilitate consolidation among public sector banks to create strong and competitive banks, that may serve as catalysts for growth with improved risk profile of the bank, approved an approval framework for proposals to amalgamate PSBs through an Alternative Mechanism (AM).

AM, after consulting RBI, in its meeting held on 17.9.2018, approved that Bank of Baroda (BoB), Vijaya Bank and Dena Bank may consider amalgamation of the three banks. As per information received from banks in this regard, after consideration of the amalgamation, the Boards of BoB and Vijaya Bank gave their in-principle approval and the Board of Dena Bank recommended for amalgamation. After considering banks and RBI's inputs, AM in its meeting held on 20.12.2018 gave in-principle approval for the amalgamation of BoB, Vijaya Bank and Dena Bank. The aggregate figure for the gross advances of these three banks, as of March 2018, is the third largest gross advances figure among Indian banks. With regard capital requirements, it has been noted that the projected capital ratios of the amalgamated entity are comfortable, and that budget provision exists for recapitalisation.

#### **Fake currency returned post demonetisation**

2137. SHRI DIGVIJAYA SINGH: Will the Minister of FINANCE be pleased to state:

(a) the total currency in circulation on 9th November, 2016 when Government announced demonetisation of ₹ 1000 and ₹ 500 notes;

(b) out of each how many notes have been received by the RBI; and

(c) out of the total currency returned, how much of fake currency has been received?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) The total currency in circulation on Friday, November

04,2016 was ₹ 17,974.60 billion. The total value of Specified Bank Notes in circulation as on November 8, 2016, post verification and reconciliation, was ₹ 15,417.93 billion.

(b) The total value of Specified Bank Notes returned from circulation is ₹ 15,310.73 billion.

(c) Data regarding denomination-wise quantwn of counterfeit notes in Specified Bank Notes (which were demonetized), detected in the banking channel from November 2016 to September, 2018, is given below:—

Denomination	₹ 500/- (SBN)	₹ 1,000/- (SBN)	Total Number of Pieces
Number of Pieces	286897	283352	570249

**Disparity of commission between Field Agents and  
Development Officers in LIC**

2138. SHRI SURESH GOPI: Will the Minister of FINANCE be pleased to state:

(a) whether the Field Agents of Life Insurance Corporation (LIC) who belong to the unorganised sector, earn only a nominal commission of less than 2 per cent for reaching out to the public and facilitating their enrolment for the LIC policies and on the other hand, Development Officers, who are regular employees, who works in the comfort of their office are entitled to a higher rate of commission, in addition to the regular salary perks; and

(b) if so, whether Government plans to take some steps to address this disparity faced by the Field Agents; the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) and (b) As per Life Insurance Corporation of India (LIC), presently, the appointment of agents and payment of remuneration to them for the discharge of their functions as agents of the Corporation is governed by the Insurance Regulatory and Development Authority of India Regulations and the LIC of India (Agents) Regulations, 2017. In accordance with these Regulations, commission is payable to the agents at the rates fixed for each product as approved by the competent authority on the first year premiums and renewal premiums received during the continuance of his/her agency in respect of the completed business under the agency.

Apart from commission and renewal commission, LIC also provides various performance based benefits to their Agents as specified in the LIC of India (Agents) Regulations, 2017 such as Gratuity, Group Insurance Cover for Confirmed Tied Agents upto ₹ 10 lakhs, advances for purchase of vehicle, computer/laptop, advances