

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. After obtaining RBI inputs, Government has notified the scheme of amalgamation for amalgamating Bank of Baroda, Vijaya Bank and Dena Bank. Further, it may be noted that the resultant consolidation will help in harnessing scale and synergy benefits, leading to wider offering of products and services, enable easy access to credit along with benefits for public at large in terms of enhanced access to banking services through a stronger network, and give bank employees access to a wider pool of opportunities.

No proposal is presently before the AM for its consideration.

Interim dividend from RBI to meet fiscal deficit

2914. DR. T. SUBBARAMI REDDY:

SHRIMATI AMBIKA SONI:

Will the Minister of FINANCE be pleased to state:

- (a) whether the report of the expert committee on the Economic Capital Framework has been finalised;
- (b) if so, the details thereof;
- (c) what is the amount that RBI proposed to transfer to the Centre from its surplus during the last two years and in the current year;
- (d) whether Government is asking for interim dividend from Reserve Bank of India (RBI), to meet the fiscal deficit target of 3.3 per cent of GDP; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) and (b) No, Sir. A Committee under the Chairmanship of Dr. Bimal Jalan has been constituted on December 26, 2018 to look into this matter. The report has not been finalised.

(c) The surplus amount transferred to the Government by RBI during the last two years is tabulated below. The amount of surplus to be transferred for 2018-19 would be ascertained only after closure of books of RBI's accounts in June, 2019.

Table: Surplus paid by RBI to the Central Government (GoI)

Financial Year of Government	Amount Received (₹ in crore)	Date of credit in Government A/c	Surplus for the financial year of RBI
2016-17	65,876	11-08-2016	2015-16
2017-18	40,659*	10-08-2017 and 27-03-18	2016-17
2018-19	40,000	08-08-18	2017-18

* Includes an amount of ₹ 10,000 crore as interim surplus, received by the Government on 27.03.2018, out of the total surplus of ₹ 50,000 crore for the financial year 2017-18 of RBI. The financial year of RBI is reckoned for the period July - June, while that for the Central Government is April-March.

While finalising the Non-Tax Revenue (NTR), for inclusion in BE 2018-19, estimated dividend/surplus from RBI, PSBs and financial institutions was considered at ₹54,817.25 crore including ₹45,000 crore as surplus transfer from RBI, whereas the actual amount of surplus received is ₹ 40,000 crore in financial year 2018-19 of the Government.

(d) and (e) The Government has requested RBI for an interim surplus on the analogy of previous year when interim surplus was requested by Government and transferred by RBI to the Government.

India's ranking in the Human Capital Index

2915. SHRI KAPIL SIBAL: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank report on human capital has ranked India at 115 position among 157 countries in the Human Capital Index (HCI), if so, the details thereof;