

MINISTRY OF FINANCE**DEMAND NO. 33****Department of Financial Services**

A. The Budget allocations, net of recoveries and receipts, are given below:

Major Head	Actual 2009-2010			Budget 2010-2011			Revised 2010-2011			<i>(In crores of Rupees)</i> Budget 2011-2012			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	...	18776.41	18776.41	50.00	20234.10	20284.10	50.00	24254.65	24304.65	50.00	9841.94	9891.94	
Capital	...	2000.00	2000.00	...	17325.00	17325.00	7880.00	15752.12	23632.12	7800.00	14.00	7814.00	
Total	...	20776.41	20776.41	50.00	37559.10	37609.10	7930.00	40006.77	47936.77	7850.00	9855.94	17705.94	
1. Secretariat-General Services	2052	...	12.89	12.89	...	12.40	12.40	...	14.17	14.17	...	15.02	15.02
Other Fiscal Services													
2. Other Expenditure (Special Court & Office of Custodian)	2047	...	7.52	7.52	...	8.44	8.44	...	7.64	7.64	...	7.78	7.78
Other Administrative Services													
3. Appellate Authority for Industrial and Financial Reconstruction (AAIFR)	2070	...	2.18	2.18	...	2.20	2.20	...	2.45	2.45	...	2.57	2.57
4. Board for Industrial and Financial Reconstruction (BIFR)	2070	...	8.16	8.16	...	8.43	8.43	...	13.04	13.04	...	12.19	12.19
5. Debt Recovery Tribunals (DRTs)	2070	...	40.52	40.52	...	38.78	38.78	...	41.05	41.05	...	48.06	48.06
6. Pension Fund Regulatory and Development Authority (PFRDA)	2070	...	11.70	11.70	...	16.00	16.00	...	16.00	16.00	...	16.00	16.00
Total-Other Administrative Services		...	62.56	62.56	...	65.41	65.41	...	72.54	72.54	...	78.82	78.82
Other General Economic Services													
7. Other Expenditure (Office of Court of Liquidator, Kolkata)	3475	...	0.56	0.56	...	0.47	0.47	...	1.54	1.54	...	0.62	0.62
Industrial Financial Institutions													
8. Payment of Subsidy to Nodal Agencies, i.e. Reserve Bank of India and National Housing Bank	2885	...	...	...	...	700.00	700.00	...	100.00	100.00	...	500.00	500.00
9. Redemption of Securities issued to SASF													
9.01 Gross Expenditure	2885	...	300.00	300.00	...	...	...	...	300.00	300.00	...	...	...
9.02 Less: Realisation of Stressed Assets of IDBI	6885	...	-300.00	-300.00	...	...	...	...	-300.00	-300.00	...	...	...
<i>Net</i>		...	...	...	...	...	...	...	...	...	...	...	...
10. Industrial Development Bank of India	2885	...	...	...	...	154.33	154.33	...	154.33	154.33	...	...	...
11. Export-Import Bank of India (Exim Bank)	4885	...	300.00	300.00	...	300.00	300.00	...	300.00	300.00	300.00	...	300.00

<i>(In crores of Rupees)</i>													
Major Head	Actual 2009-2010			Budget 2010-2011			Revised 2010-2011			Budget 2011-2012			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
12. <i>India Infrastructure Finance Company Limited (IIFCL)</i>													
12.01 Studies covered under World Bank PHRD Grant	2885	...	1.60	1.60	...	...	...	...	...	...	...	...
12.02 Equity Capital	4885	...	500.00	500.00	...	500.00	500.00	...	500.00	500.00	1000.00	...	1000.00
<i>Total- India Infrastructure Finance Company Limited (IIFCL)</i>	...	...	501.60	501.60	...	500.00	500.00	...	500.00	500.00	1000.00	...	1000.00
Total-Industrial Financial Institutions	...	...	801.60	801.60	...	1654.33	1654.33	...	1054.33	1054.33	1300.00	500.00	1800.00
Agricultural Financial Institutions													
13. Grants through National Bank for Agriculture and Rural Development (NABARD) for Strengthening Short Term Cooperative Credit Structure (STCCS)	2416	...	800.00	800.00	...	984.65	984.65	...	1014.65	1014.65	...	0.01	0.01
14. Interest Subvention for providing Short Term Credit to Farmers	2416	...	2011.00	2011.00	...	3000.00	3000.00	...	4000.00	4000.00	...	4868.00	4868.00
15. Revival of Long Term Cooperative Credit Structure	2416	...	...	...	...	1000.00	1000.00	...	500.00	500.00	...	1000.00	1000.00
16. Contribution to Financial Inclusion Fund (FIF)	2416	...	10.00	10.00	...	10.00	10.00	...	10.00	10.00	...	10.00	10.00
17. Contribution to Financial Inclusion Technology Fund (FITF)	2416	...	10.00	10.00	...	10.00	10.00	...	10.00	10.00	...	10.00	10.00
18. Deduct recovery of unspent balance in respect of Agricultural Financial Institutions	2416	...	-522.18	-522.18	...	...	...	...	...	...	...	...	...
19. Government's Contribution towards Recapitalisation of Regional Rural Banks (RRBs)	4416	...	...	...	...	...	...	...	350.00	350.00	500.00	...	500.00
Total-Agricultural Financial Institutions	...	...	2308.82	2308.82	...	5004.65	5004.65	...	5884.65	5884.65	500.00	5888.01	6388.01
General Financial and Trading Institutions													
20. Acquisition cost of RBI's stake in NABARD	5465	...	...	...	...	...	...	1430.00	...	1430.00	...	...	...
21. Acquisition cost of RBI's stake in NHB	5465	...	...	...	...	...	...	450.00	...	450.00	...	...	...
22. <i>Restructuring Equity Capital of United Bank of India</i>													
22.01 Gross Expenditure	5465	...	1266.00	1266.00	...	...	...	...	...	...	...	...	...
22.02 Less: Deduct Recoveries	5465	...	-1266.00	-1266.00	...	...	...	...	...	...	...	...	...
<i>Net</i>	...	...	...	...	...	...	...	...	...	...	...	...	...
23. Subscription to Tier I instrument for capitalisation of Public Sector Banks	5465	...	1200.00	1200.00	...	1500.00	1500.00	...	1500.00	1500.00	...	...	...
24. Contribution to Securities Redemption Fund for redeeming Securities issued against subscription in the Rights Issue of equity shares of State Bank of India	3465	...	625.00	625.00	...	625.00	625.00	...	625.00	625.00	...	625.00	625.00
	5465	...	...	...	...	...	...	...	...	...	...	...	...
<i>Total</i>	...	...	625.00	625.00	...	625.00	625.00	...	625.00	625.00	...	625.00	625.00

													(In crores of Rupees)		
	Major Head	Actual 2009-2010			Budget 2010-2011			Revised 2010-2011			Budget 2011-2012				
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total		
25.	Assistance to Public Sector Banks for opening bank branches in unbanked blocks	3465	...	...	...	50.00	...	50.00	50.00	...	50.00	...	...	...
26.	Financial support to the Banks for opening 'No Frills' accounts under Swabhiman Scheme as part of Financial Inclusion Plan (FIP)	3465	...	...	...	...	...	...	...	...	...	50.00	...	50.00
27.	Recapitalisation of Public Sector Banks through World Bank Loan	5465	...	...	...	15000.00	15000.00	...	12657.00	12657.00	...	...	...
28.	Recapitalisation of Public Sector Banks	5465	...	...	...	...	...	6000.00	...	6000.00	6000.00	...	6000.00	
29.	Government's contribution towards capital for setting up of Central Electronic Registry under SARFAESI Act, 2002	5465	...	...	...	25.00	25.00	...	25.00	25.00	...	...	...
30.	World Bank Assistance to Small Industries Development Bank of India (SIDBI) to improve access to Microfinance in India under World Bank assisted Microfinance Project	5465	...	...	...	...	...	...	420.12	420.12	...	14.00	14.00	
31.	Interest Subsidy to Goan Banks	2885	...	0.08	0.08	...	0.08	0.08	...	0.08	0.08	...	0.08	0.08	
Total-General Financial and Trading Institutions			...	1825.08	1825.08	50.00	17150.08	17200.08	7930.00	15227.20	23157.20	6050.00	639.08	6689.08	
Social Security and Welfare															
32.	<i>Debt Waiver and Debt Relief Scheme for Farmers</i>														
32.01	Transfer to Farmers Debt Relief Fund	2235	...	15000.00	15000.00	...	12000.00	12000.00	...	16000.00	16000.00	...	2000.00	2000.00	
32.02	Payment to lending institutions against Debt Waiver and Debt Relief to Farmers														
32.02.01	Gross Expenditure	2235	...	15000.00	15000.00	...	12000.00	12000.00	...	12000.00	12000.00	...	6000.00	6000.00	
32.02.02	Less: Amount met from Farmers Debt Relief Fund	2235	...	-15000.00	-15000.00	...	-12000.00	-12000.00	...	-12000.00	-12000.00	...	-6000.00	-6000.00	
	<i>Net</i>		...	...	...	...	...	...	...	...	...	...	...	...
32.03	Payment of interest to lending institutions	2235	...	458.85	458.85	...	1434.00	1434.00	...	1434.00	1434.00	...	287.00	287.00	
	<i>Total- Debt Waiver and Debt Relief Scheme for Farmers</i>		...	<i>15458.85</i>	<i>15458.85</i>	...	<i>13434.00</i>	<i>13434.00</i>	...	<i>17434.00</i>	<i>17434.00</i>	...	<i>2287.00</i>	<i>2287.00</i>	
33.	Subsidy to Public Sector General Insurance Companies for Community based Universal Health Insurance Scheme	2235	...	28.00	28.00	...	20.00	20.00	...	25.00	25.00	...	20.00	20.00	
34.	Interest Subsidy to LIC for Pension Plan for Senior Citizens	2235	...	270.76	270.76	...	209.32	209.32	...	175.70	175.70	...	199.61	199.61	
35.	Deduct recoveries of overpayment	2235	...	-0.01	-0.01	...	...	...	...	...	...	...	...	...
36.	Deduct recoveries of unspent balance	2235	...	-0.22	-0.22	...	...	...	...	...	...	...	...	...
37.	<i>Swavalamban Scheme to encourage people from unorganised sector to join New Pension System (NPS)</i>														

		(In crores of Rupees)												
		Actual 2009-2010			Budget 2010-2011			Revised 2010-2011			Budget 2011-2012			
Major Head		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
37.01	Government's Co-contribution to subscribers of the New Pension System (NPS) under Swavalamban Scheme	2235	...	...	...	...	...	...	100.00	100.00	...	200.00	200.00
37.02	Funding support for promotional and developmental activities for enrolment and contribution under Swavalamban Scheme	2235	...	...	...	...	...	...	10.00	10.00	...	20.00	20.00
	<i>Total- Swavalamban Scheme to encourage people from unorganised sector to join New Pension System (NPS)</i>		...	...	...	...	...	...	110.00	110.00	...	220.00	220.00
Total-Social Security and Welfare		...	15757.38	15757.38	...	13663.32	13663.32	...	17744.70	17744.70	...	2726.61	2726.61	
Grand Total		...	20776.41	20776.41	50.00	37559.10	37609.10	7930.00	40006.77	47936.77	7850.00	9855.94	17705.94	
		Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
C. Plan Outlay														
1.	Other General Economic Services	13475	50.00	...	50.00	7930.00	...	7930.00	6050.00	...	6050.00
2.	Other outlays on Industries and Minerals	12885	1300.00	...	1300.00
3.	Other Agricultural programmes	12435	500.00	...	500.00
Total			50.00	...	50.00	7930.00	...	7930.00	7850.00	...	7850.00

1. **Secretariat - General Services:** The provision is for the secretariat expenditure of the Department of Financial Services.

2. **Other Fiscal Services (Special Court & Office of the Custodian):** The provision is for the Office of the Custodian and Special Court set up under the Special Courts (Trial of offences relating to Transactions in Securities) Act, 1992 for investigating irregularities involving transaction in securities.

3-6. **Other Administrative Services:** The provision is for the Appellate Authority for Industrial and Financial Reconstruction, Board for Industrial and Financial Reconstruction, Debt Recovery Tribunals and for providing grants to Pension Fund Regulatory and Development Authority (PFRDA).

7. **Other General Economic Services (Office of the Court of Liquidator, Kolkata):** The provision is for Office of Court of Liquidator, Kolkata.

8. **Payment of subsidy to Nodal Agencies i.e. Reserve Bank of India and National Housing Bank:** The provision is for providing 1% interest subvention on housing loans upto ₹ 10.00

lakh through nodal agencies i.e. Reserve Bank of India and National Housing Bank. The interest subsidy is routed through the scheduled commercial Banks and the housing finance companies registered with the National Housing Bank. The interest subsidy will be available for a period of one year.

9. **Redemption of securities issued to Stressed Assets Stabilisation Fund (SASF):** In terms of provision of the SASF Trust Deed, SASF has been remitting the amounts recovered out of the stressed and non-performing assets to the Government of India (GOI) and GOI has been paying to IDBI Bank Limited, the amount received from SASF. The provision is accordingly made to make payment to IDBI Bank Ltd. in this regard.

10. **Industrial Development Bank of India:** The provision is for assistance to IDBI Bank Ltd. on account of interest differential (i.e. difference between contractual rate of interest and 8% interest in respect of existing borrowings as on appointed day i.e. 1-03-2003). This is based on Government's decision dated 17th February, 2005 while considering restructuring of liabilities of IDBI (now IDBI Bank Ltd.) with a view to reducing its high cost of borrowings.

11. **Export-Import Bank of India (EXIM Bank):** EXIM Bank provides financial assistance to exports and imports and functions as the principal financial institution for coordinating the working of institutions engaged in financing export and import of goods and services with a view to

promoting country's international trade. The provision is to release funds to EXIM Bank as equity support/ subscription to increase the paid up capital of the Bank to the level of its Authorized Capital.

12. **India Infrastructure Finance Company Limited (IIFCL):** IIFCL provides funds, especially debt of longer-term maturity, directly to the eligible project to supplement other loans from banks and financial institutions. The company would fill the gap for long term infrastructure finance, which the banks are not in a position to address owing to concerns relating to mis-matches in assets and liabilities. The provision is for equity support to IIFCL keeping in view the business programme and capital requirement.

13. **Grants to NABARD for Strengthening Short Term Cooperative Credit Structure (STCCS):** The provision is for release of grants to NABARD for recapitalizing different tiers of short term cooperative credit structure (STCCS) starting with Primary Agricultural Credit Society (PACS). The basic objective of the scheme is revival of STCCS to make it a well managed and vibrant medium to serve the credit needs of rural India.

14. **Interest Subvention for providing Short Term Credit to farmers:** The provision is for interest subvention to NABARD, Regional Rural Banks, Cooperative Banks and Public Sector Banks for providing Short Term Credit to farmers @ 7% p.a.

15. **Revival of Long Term Cooperative Credit Structure:** The provision is for payment of grants to NABARD for providing incentives to States and Cooperative Institutions to adopt reform measures for strengthening Long Term Cooperative Credit Structure in the country.

16-17. **Contribution to Financial Inclusion Fund (FIF) and Financial Inclusion Technology Fund (FITF):** The provision is for contribution to Financial Inclusion Fund (FIF) and Financial Inclusion Technology Fund (FITF)

18. **Deduct recovery of unspent balance in respect of Agricultural Financial Institutions:** Indicates recovery of unspent balance from Agricultural Financial Institutions.

19. **Government's contribution towards recapitalisation of Regional Rural Banks:** The provision is for recapitalisation of Regional Rural Banks.

20. **Acquisition cost of RBI stake in NABARD:** The provision is for meeting the expenditure for acquiring Reserve Bank of India's holding in National Bank for Agriculture and Rural Development (NABARD).

21. **Acquisition cost of RBI stake in NHB:** The provision is for meeting the expenditure for acquiring Reserve Bank of India's holding in National Housing Bank (NHB).

23. **Subscription to Tier-I instrument for capitalization of Public Sector Banks:** The provision is for subscription to Tier-I instrument towards augmenting the capital funds of Public Sector Banks.

24. **Contribution to Securities Redemption Fund for redeeming Securities issued against subscription in the Rights Issue of Equity Shares of State Bank of India:** The provision is for contribution to Securities Redemption Fund for redeeming Securities issued against subscription to the Rights issue of Equity shares of State Bank of India

25. **Assistance to Public Sector Banks for opening bank branches in unbanked blocks:** The provision is towards assistance to Public Sector Banks for opening bank branches in unbanked blocks as part of Financial Inclusion Plan.

26. **Financial Support to the Banks for opening 'No Frills' accounts under Swabhiman Scheme as part of Financial Inclusion Plans:** The provision is to provide financial support to the banks to meet one time fixed cost of ₹ 140 per financial inclusion beneficiary account for 5.11 crore 'No Frills' accounts in approx. 73000 identified habitations with a view to extending banking services through Business Correspondent (BC) and other models with appropriate technology backup in a phased manner by March, 2012.

27. **Recapitalisation of Public Sector Banks through World Bank loan:** The provision is for Recapitalisation of Public Sector Banks through World Bank loan. As part of the Second Stimulus Package announced on 2.01.2009 to stimulate the economy, Government underlined certain measures required to provide economic stimulus which include proposals for recapitalisation of the Public Sector Banks.

28. **Recapitalisation of Public Sector Banks:** The provision is for Recapitalisation of Public Sector Banks to enable them to maintain their Tier - I CRAR at 8% and also to raise Government's holding in all PSBs to 58%

29. **Government's contribution towards capital for setting up of Central Electronic Registry under SARFAESI Act:** The provision is towards Government's contribution for setting up of Central Electronic Registry under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act., 2002.

30. **World Bank Assistance to Small Industries Development Bank of India (SIDBI) to improve access to Microfinance Project:** To provide a 'pass through' entry for the loan of US \$ 100 million (₹ 450.00 crore) from International Development Association (IDA) to SIDBI.

31. **Interest Subsidy to Goan Banks:** The provision is for paying interest subsidy to Goan Banks.

32.02 & 03. **Payment to lending Institutions against Debt Waiver and Debt Relief to Farmers:** The provision is for releasing funds to lending institutions against debt waiver and debt relief to farmers. This also includes provision for payment of interest to lending institutions.

33. **Subsidy to public sector general insurance companies for Community based Universal Health Insurance Scheme:** The provision is for subsidy to Public Sector General Insurance companies for community based Universal Health Insurance Scheme.

34. **Interest Subsidy to LIC for Pension Plan for Senior citizens:** The provision is for payments of interest subsidy to Life Insurance Corporation of India (LIC) towards pension/annuity to the policy holders and payment of lumpsum equal to purchase price to the nominee of the policy holders.

35. **Deduct recoveries of overpayment:** Indicates recoveries of overpayment relating to social security and welfare.

36. **Deduct recoveries of unspent balance:** Indicates recoveries of unspent balance relating to social security and welfare.

37. **Swavalamban Scheme to encourage people from unorganized sector to join New Pension System (NPS):** This is for providing funding support under Swavalamban Scheme, announced in Budget Speech, 2010-11. The scheme is aimed at encouraging the people from unorganized sector to voluntarily save for their retirement by enrolling themselves under the New Pension System (NPS).