

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

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

		<i>(In crores of Rupees)</i>								
Major Head	Budget 2009-2010			Revised 2009-2010			Budget 2010-2011			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	...	20446.52	20446.52	...	20376.84	20376.84	50.00	20234.10	20284.10	
Capital	1542.00	1425.02	2967.02	1450.00	2625.00	4075.00	...	17325.00	17325.00	
Total	1542.00	21871.54	23413.54	1450.00	23001.84	24451.84	50.00	37559.10	37609.10	
1. Secretariat - General Services	2052	...	13.28	13.28	...	13.61	13.61	...	12.40	12.40
Other Fiscal Services										
2. Other Expenditure (Special Court & Office of Custodian)	2047	...	10.42	10.42	...	8.56	8.56	...	8.44	8.44
Other Administrative Services										
3. Appellate Authority for Industrial and Financial Reconstruction	2070	...	3.21	3.21	...	2.23	2.23	...	2.20	2.20
4. Board for Industrial and Financial Reconstruction	2070	...	10.25	10.25	...	9.47	9.47	...	8.43	8.43
5. Debt Recovery Tribunal	2070	...	50.18	50.18	...	42.89	42.89	...	38.78	38.78
6. Pension Fund Regulatory and Development Authority	2070	...	16.00	16.00	...	16.00	16.00	...	16.00	16.00
Total - Other Administrative Services		...	79.64	79.64	...	70.59	70.59	...	65.41	65.41
Other General Economic Services										
7. Other Expenditure (Office of Court of Liquidator, Kolkata)	3475	...	1.10	1.10	...	0.57	0.57	...	0.47	0.47
Capital Outlay on Public Works										
8. Debt Recovery Tribunal (DRT)										
8.01 Construction of building for DRT, Chandigarh	4059	...	0.01	0.01	...	...	...	...	...	...
8.02 Purchase of Land for construction of buildings for DRT, Chandigarh	4059	...	0.01	0.01	...	...	...	...	...	...
Total - Capital Outlay on Public Works		...	0.02	0.02	...	...	...	...	...	...
Total		...	104.46	104.46	...	93.33	93.33	...	86.72	86.72
Industrial Financial Institutions										
9. Payment of subsidy to Nodal Agencies i.e. Reserve Bank of India and National Housing Bank	2885	...	...	...	...	...	...	...	700.00	700.00
10. Redemption of securities issued to SASF	2885	...	...	...	...	400.00	400.00	...	...	...
Less - Realisation of stressed assets to IDBI	6885	...	...	...	...	-400.00	-400.00	...	...	...
<i>Net</i>		...	...	...	...	...	...	...	...	...
11. Industrial Development Bank of India	2885	...	...	...	...	...	...	...	154.33	154.33
12. Export-Import Bank of India	4885	...	300.00	300.00	...	300.00	300.00	...	300.00	300.00
13. India Infrastructure Finance Company Limited (IIFCL)										
13.01 Studies Covered under World Bank PHRD Grant	2885	...	1.61	1.61	...	1.61	1.61	...	...	...
13.02 Equity Capital	4885	...	500.00	500.00	...	500.00	500.00	...	500.00	500.00
Total-Industrial Financial Institutions		...	801.61	801.61	...	801.61	801.61	...	1654.33	1654.33

Major Head	Budget 2009-2010			Revised 2009-2010			Budget 2010-2011			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
<i>(In crores of Rupees)</i>										
Agricultural Financial Institutions										
14. Grants through National Bank for Agriculture and Rural Dev. for Strengthening Cooperative Credit Structure	2416	...	...	...	800.00	800.00	...	984.65	984.65	
15. Interest Subvention for providing Short Term Credit to Farmers	2416	...	2011.00	2011.00	...	2011.00	2011.00	...	3000.00	3000.00
16. Revival of long term Cooperative Credit Structure	2416	...	1000.00	1000.00	...	1.00	1.00	...	1000.00	1000.00
17. Contribution to Financial Inclusion Fund (FIF)	2416	...	...	...	...	10.00	10.00	...	10.00	10.00
18. Contribution to Financial Inclusion Technology Fund (FITF)	2416	...	...	...	...	10.00	10.00	...	10.00	10.00
Total-Agricultural Financial Institutions	...	...	3011.00	3011.00	...	2832.00	2832.00	...	5004.65	5004.65
General Financial and Trading Institutions										
19. Acquisition cost of RBI stake in NABARD	5465	1100.00	...	1100.00	1450.00	...	1450.00	...	...	...
20. Acquisition cost of RBI stake in NHB	5465	442.00	...	442.00	...	...	...	...	...	...
21. Restructuring equity capital of United Bank of India	5465	...	...	...	...	1266.00	1266.00	...	...	...
Less - Deduct Recoveries	5465	...	...	...	...	-1266.00	-1266.00	...	...	...
<i>Net</i>	...	...	...	...	...	...	...	...	...	...
22. Subscription to Tier-I instrument for Capitalisation of Public Sector Banks	5465	...	...	...	...	1200.00	1200.00	...	1500.00	1500.00
23. Contribution to Securities Redemption Fund for redeeming Securities issued against subscription in the Rights issue of equity shares of State Bank of India	5465	...	625.00	625.00	...	625.00	625.00	...	...	...
	3465	...	...	...	...	...	...	...	625.00	625.00
<i>Total</i>	...	...	625.00	625.00	...	625.00	625.00	...	625.00	625.00
24. Assistance to Public Sector Banks for opening bank branches in unbanked blocks	3465	...	...	...	...	...	...	50.00	...	50.00
25. Recapitalisation of Public Sector Banks through World Bank Loan	5465	...	...	...	...	...	...	...	15000.00	15000.00
26. Government's Contribution towards capital for setting up of Central Electronic Registry under SARFAESI Act	5465	...	...	...	...	...	...	...	25.00	25.00
Total - General Financial and Trading Institutions		1542.00	625.00	2167.00	1450.00	1825.00	3275.00	50.00	17150.00	17200.00
27. Interest Subsidy to Goan Bank	2885	...	0.08	0.08	...	0.08	0.08	...	0.08	0.08
Social Security and Welfare										
28. <i>Debt Waivers and Debt Relief Scheme for Farmers</i>										
28.01 Transfer to Farmers Debt Relief Fund	2235	...	15000.00	15000.00	...	15000.00	15000.00	...	12000.00	12000.00

(In crores of Rupees)

Major Head	Budget 2009-2010			Revised 2009-2010			Budget 2010-2011				
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total		
28.02 Payment to lending institutions against Debt Waiver and Debt Relief to Farmers	2235	...	15000.00	15000.00	...	15000.00	15000.00	...	12000.00	12000.00	
Less - Amount met from Farmers Debt Relief Fund	2235	...	-15000.00	-15000.00	...	-15000.00	-15000.00	...	-12000.00	-12000.00	
<i>Net</i>		...	15000.00	15000.00	...	15000.00	15000.00	...	12000.00	12000.00	
28.03 Payment of interest to lending institutions	2235	...	2151.00	2151.00	...	2151.00	2151.00	...	1434.00	1434.00	
29. Subsidy to public sector general insurance companies for Community based Universal Health Insurance Scheme	2235	...	6.39	6.39	...	28.00	28.00	...	20.00	20.00	
30. Interest Subsidy to LIC for Pension Plan for Senior Citizens	2235	...	172.00	172.00	...	270.82	270.82	...	209.32	209.32	
Total - Social Security and Welfare		...	17329.39	17329.39	...	17449.82	17449.82	...	13663.32	13663.32	
Grand Total			1542.00	21871.54	23413.54	1450.00	23001.84	24451.84	50.00	37559.10	37609.10
C. Plan Outlay	Head of Dev.	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	
1. Other General Economic Services	13475	1542.00	...	1542.00	1450.00	...	1450.00	50.00	...	50.00	

1. The provision is for the secretariat expenditure of the Department of Financial Services.

2. The provision is for the Office of the Custodian and Special Court set up for investigating irregularities involving transaction in securities.

3-5. Provision is for the Appellate Authority for Industrial and Financial Reconstruction, Board for Industrial and Financial Reconstruction and Debt Recovery Tribunals.

6. The provision is for providing grants to Pension Fund Regulatory and Development Authority.

7. This includes provision for Office of Court of Liquidator, Kolkata.

9. **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 Rs.10 lakh through nodal agencies i.e. Reserve Bank of India and National Housing Bank. The interest subsidy will be routed through the scheduled commercial Banks and the housing finance companies registered with National Housing Bank. The interest subsidy will be available for a period of one year.

11. The provision is for assistance to Industrial Development Bank of India Limited for serving their liabilities.

12. **Export-Import Bank of India (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 funds from Government are in the form of share capital.

13. **India Infrastructure Finance Company Limited (IIFCL)** was incorporated on January 5, 2006. The present authorized capital is Rs.2000 crore and the paid up capital stands at Rs.1800 crore. As per the business programme, capital requirement during the year 2010-11 would be Rs. 2363 crore to support direct lending and refinance portfolio. IIFCL would lend 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.

14. The provision is for payment of grants to NABARD for providing incentives to States and Cooperative Institutions to adopt reform measures for strengthening Cooperative Credit Structure in the country.

15. The provision is for interest subvention to NABARD, Regional Rural Banks, Cooperative Banks and Public Sector Banks for providing short term credit to farmers at 7% p.a.

16. 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.

17-18. The provision is for contribution to Financial Inclusion Fund (FIF) and Financial Inclusion Technology Fund (FITF).

22. The provision is for subscription to Tier-I instrument for capitalization of Central Bank of India, UCO Bank, Vijaya Bank and United Bank of India.

23. 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.

24. The provision is for providing of assistance to Public Sector Banks for opening of Bank branches in unbanked blocks.

25. The provision is for Recapitalisation of Public Sector Bank through World Bank loan. As part of the Second Stimulus Package announced on 02.01.2009 to stimulate the economy, Government underlined certain measures required to provide economic stimulus which include proposals for recapitalisation of the Public Sector Banks.

26. 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 Act, 2002 (SARFAESI).

27. The provision is for paying interest subsidy to Goan Bank.

28. 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.

29. The provision is for subsidy to Public Sector General Insurance companies for Community Based Universal Health Insurance Scheme.

30. Interest Subsidy to LIC for Pension Plan for Senior citizens - The provision is for payment of interest subsidy to Life Insurance Corporation of India (LIC) towards Pension/annuity to the policy holders and payment of lumpsum equals purchase price to the nominee of the policy holders.