

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 2008-2009			Revised 2008-2009			Budget 2009-2010			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
	Revenue	...	7323.62	7323.62	...	23359.12	23359.12	...	20446.52	20446.52	
	Capital	1900.00	909.25	2809.25	1900.00	5109.88	7009.88	1542.00	1425.02	2967.02	
	Total	1900.00	8232.87	10132.87	1900.00	28469.00	30369.00	1542.00	21871.54	23413.54	
1.	Secretariat - General Services	2052	...	8.00	8.00	...	12.92	12.92	...	13.28	13.28
	Other Fiscal Services										
2.	Other Expenditure (Special Court & Office of Custodian)	2047	...	5.19	5.19	...	8.05	8.05	...	10.42	10.42
	Other Administrative Services										
3.	Appellate Authority for Industrial and Financial Reconstruction	2070	...	2.18	2.18	...	2.77	2.77	...	3.21	3.21
4.	Board for Industrial and Financial Reconstruction	2070	...	7.95	7.95	...	8.59	8.59	...	10.25	10.25
5.	Debt Recovery Tribunal	2070	...	29.03	29.03	...	38.86	38.86	...	50.18	50.18
6.	Pension Fund Regulatory and Development Authority	2070	...	6.30	6.30	...	5.20	5.20	...	16.00	16.00
	Total - Other Administrative Services		...	45.46	45.46	...	55.42	55.42	...	79.64	79.64
	Social Security and Welfare										
7.	Interest Relief on loans to persons affected by November, 1984 Riots	2235	...	0.01	0.01	...	...	...	...	...	...
8.	Other Expenditure (Reforming India's Pension System)	2235	...	0.50	0.50	...	...	...	...	...	...
	Total - Social Security and Welfare		...	0.51	0.51	...	...	...	...	...	...
	Other General Economic Services										
9.	Other Expenditure (Office of Court of Liquidator, Kolkata)	3475	...	0.82	0.82	...	1.00	1.00	...	1.10	1.10
	Capital Outlay on Public Works										
10.	<i>Debt Recovery Tribunal (DRT)</i>										
	10.01 Construction of building for DRT, Chandigarh	4059	...	0.01	0.01	...	...	...	...	0.01	0.01
	10.02 Purchase of Land for construction of buildings for DRT, Chandigarh	4059	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
	Total - Capital Outlay on Public Works		...	0.02	0.02	...	0.01	0.01	...	0.02	0.02
	Total - Department of Financial Services		...	60.00	60.00	...	77.40	77.40	...	104.46	104.46
	Payments to Financial Institutions										
	Industrial Financial Institutions										
11.	Redemption of securities issued to SASF	2885	...	...	...	...	1500.00	1500.00	...	...	...
	Less - Realisation of stressed assets to IDBI	6885	...	...	...	...	-1500.00	-1500.00	...	...	...
	<i>Net</i>		...	...	...	...	...	...	...	...	...
12.	Industrial Finance Corporation of India	2885	...	433.40	433.40	...	...	...	...	...	...
13.	Export-Import Bank of India	4885	...	100.00	100.00	...	300.00	300.00	...	300.00	300.00
14.	<i>India Infrastructure Finance Company Limited (IIFCL)</i>										
	14.01 Studies Covered under World Bank PHRD Grant	2885	...	...	...	...	...	...	...	1.61	1.61
	14.02 Equity Capital	4885	...	200.00	200.00	...	500.00	500.00	...	500.00	500.00

		(In crores of Rupees)								
Major Head	Budget 2008-2009			Revised 2008-2009			Budget 2009-2010			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
15. Irrigation and Water Resources										
Finance Corporation (IWRFC)										
15.01 Setting up of Irrigation and Water Resources Finance Corporation (IWRFC)	2885	...	...	...	3.00	3.00	...	...	...
Total-Industrial Financial Institutions	...	733.40	733.40	...	803.00	803.00	...	801.61	801.61	
Agricultural Financial Institutions										
16. National Bank for Agriculture and Rural Development	2416	...	0.91	0.91	...	0.91	0.91	...	...
17. Grants through National Bank for Agriculture and Rural Dev. for Strengthening Cooperative Credit Structure	2416	...	3542.00	3542.00	...	3960.26	3960.26	...	...
18. Interest Subvention for providing Short Term Credit to Farmers	2416	...	1600.00	1600.00	...	2600.00	2600.00	...	2011.00	
19. Revival of long term Cooperative Credit Structure	2416	...	600.00	600.00	...	599.09	599.09	...	1000.00	
20. Contribution to Financial Inclusion Fund (FIF)	2416	...	25.00	25.00	...	...	...	...	...
21. Contribution to Financial Inclusion Technology Fund (FITF)	2416	...	25.00	25.00	...	...	...	...	...
22. Artificial recharge of ground water through Dug Wells	2416	...	...	...	...	168.40	168.40	...	...
Less - Amount met from Social and Infrastructure Development Fund	2416	...	...	...	...	-168.40	-168.40	...	...
Net	...	...	...	...	...	...	...	...	...
23. Interest Subvention for providing liquidity support to Regional Rural Banks & Cooperative Credit Institutions	2416	...	...	...	...	130.00	130.00	...	...
24. Government's Contribution towards Recapitalisation of Regional Rural Banks having negative networth	4416	...	594.87	594.87	...	594.87	594.87	...	...
Total-Agricultural Financial Institutions	...	6387.78	6387.78	...	7885.13	7885.13	...	3011.00	3011.00	
General Financial and Trading Institutions										
25. Acquisition cost of RBI stake in NABARD	5465	1450.00	...	1450.00	1450.00	...	1450.00	1100.00	...	
26. Acquisition cost of RBI stake in NHB	5465	450.00	...	450.00	450.00	...	450.00	442.00	...	
27. Restructuring equity capital of Punjab & Sind Bank and UCO Bank	5465	...	...	...	...	0.01	0.01	...	...
28. Contribution to Securities Redemption Fund for redeeming SLR Marketable Securities issued against subscription in the Rights issue of equity shares of State Bank of India	5465	...	...	...	...	625.00	625.00	...	625.00
Total - General Financial and Trading Institutions		1900.00	...	1900.00	1900.00	625.01	2525.01	1542.00	625.00	
International Financial Institutions										
29. International Monetary Fund (In Securities)										
29.01 Towards India's Quota increase	5466	...	...	...	...	3071.94	3071.94	...	...

		(In crores of Rupees)								
Major Head	Budget 2008-2009			Revised 2008-2009			Budget 2009-2010			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
29.02 MOV towards valuation adjustment of Indian rupees receivable	5466	...	...	...	1077.49	1077.49	...	...	...
Deduct Recoveries	6001	...	...	...	-1077.49	-1077.49	...	...	...
	<i>Net</i>	...	...	...	...	...	...	...	...
30. Service Charges Payable to I.M.F	2047	...	0.01	0.01	...	...	...	...	...
31. International Development Association	5466	...	...	...	3.75	3.75	...	...	...
32. African Development Fund/Bank										
32.01 Subscription to African Development Fund	5466	...	13.58	13.58	...	14.30	14.30	...	...
32.02 Subscription to African Development Bank	5466	...	0.78	0.78	...	...	...	...	...
	<i>Total</i>	...	14.36	14.36	...	14.30	14.30	...	...
33. International Fund for Agricultural Development	2416	...	0.02	0.02	...	27.99	27.99	...	...
34. Afghanistan Reconstruction Trust Fund	3466	...	0.84	0.84	...	0.88	0.88	...	...
35. Emergency Natural Disasters Assistance	3466	...	1.85	1.85	...	4.39	4.39	...	...
Total-International Financial Institutions	...	...	17.08	17.08	...	3123.25	3123.25	...	...
36. Interest Subsidy to Goan Bank	2885	...	7.75	7.75	...	0.23	0.23	...	0.08	
Other General Economic Services										
37. Other Expenditure (Charges to IMF)	3466	...	0.20	0.20	...	0.32	0.32	...	...
38. Compensation for exchange loss towards National Housing Bank	3475	...	36.66	36.66	...	36.66	36.66	...	...
Social Security and Welfare										
39. Subsidy to public sector general insurance companies for Community based Universal Health Insurance Scheme	2235	...	25.00	25.00	...	8.00	8.00	...	6.39	
40. Interest Subsidy to LIC for Pension Plan for Senior Citizens	2235	...	200.00	200.00	...	150.00	150.00	...	172.00	
41. Debt Waivers and Debt Relief Scheme for Farmers										
41.01 Transfer to Farmers Debt Relief Fund	2235	...	...	...	...	15000.00	15000.00	...	15000.00
41.02 Payment to lending institutions against Debt Waiver and Debt Relief to Farmers	2235	...	...	...	...	25000.00	25000.00	...	15000.00
Less - Amount met from Farmers Debt Relief Fund	2235	...	...	...	...	-25000.00	-25000.00	...	-15000.00
	<i>Net</i>	...	...	...	...	15000.00	15000.00	...	15000.00
41.03 Payment of interest to lending institutions	2235	...	...	...	...	...	...	...	2151.00
42. Crediting to the Social Security Fund of LIC for Janshree Bima Yojana (JBY) for women Self Help Groups (SHGs)	2235	...	...	...	...	500.00	500.00	...	...
Less : Amount met from Social and Infrastructure Development Fund	2235	...	...	...	...	-500.00	-500.00	...	...
	<i>Net</i>	...	...	...	...	...	...	...	...

		(In crores of Rupees)									
Major Head	Budget 2008-2009			Revised 2008-2009			Budget 2009-2010				
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total		
43. Waiver of Interest on overdue loans in debt stressed States of AP, Karnataka, Kerala & Maharashtra	2235	...	640.00	640.00	...	460.00	460.00	...	...	...
Total - Social Security and Welfare Loans for General Finance & Trading Institutions		...	865.00	865.00	...	15618.00	15618.00	...	17329.39	17329.39	
44. Government's contributions towards payment of its share premium for Aam Aadmi Bima Yojana (AABY)	7465	...	...	...	...	1000.00	1000.00	...	...	...
Less-Amount met from Social and Infrastructure Development Fund	7465	...	...	...	...	-1000.00	-1000.00	...	...	...
<i>Net</i>		...	...	...	...	...	...	...	...	...
Miscellaneous General Services											
45. Transfer to Guarantee Redemption Fund	2075	...	125.00	125.00	...	300.00	300.00	...	...	...
Total - Payments to Financial Institutions			1900.00	8172.87	10072.87	1900.00	28391.60	30291.60	1542.00	21767.08	23309.08
Grand Total			1900.00	8232.87	10132.87	1900.00	28469.00	30369.00	1542.00	21871.54	23413.54
C. Plan Outlay	Head of Dev.	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	
1. Other General Economic Services	13475	1900.00	...	1900.00	1900.00	...	1900.00	1542.00	...	1542.00	

Note : - Demand Payments to Financial Institutions merged with Department of Financial Services from 2009-2010.

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.

9. This includes provision for Office of Court of Liquidator, Kolkata and for the insurance element of Protected Savings Scheme for the poor.

10. The provision is for purchase of land and construction of buildings for Debt Recovery Tribunal (DRT), Chandigarh.

13. **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.

14. **India Infrastructure Finance Company Limited (IIFCL)** was incorporated on January 5, 2006 with a paid up capital of Rs.10 crore and an authorized capital of Rs. 1,000 crore. Now the authorised capital has been increased to Rs. 2,000 crore.

IIFCL would lend funds, especially debt of longer-term maturity, directly to the eligible projects 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 mismatches in assets and liabilities. The provision is for equity support to IIFCL.

18. The provision is for interest subvention to NABARD, Regional Rural Banks, Cooperative Banks and Public Sector Banks for providing short term credit to farmers.

19. 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.

25-26. The provision is for meeting the expenditure for acquiring Reserve Bank of India holding in National Bank for Agriculture and Rural Development (NABARD) and National Housing Bank (NHB).

28. 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.

36. The provision is for paying interest subsidy to Goan Banks.

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

40. The provision is for payments towards pension/annuity to the policy holders and payment of lumpsum equals purchase price to the nominee of the policy holders.

41. 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.

44. **Government's contribution towards payment of its share of premium for Aam Aadmi Bima Yojana (AABY)** - The provision is for creation of corpus fund to be operated by LIC of

India as Fund Manager for meeting the liability of Central Government towards its share of premium payment for implementation of Aam Aadmi Bima Yojana for rural landless households. The expenditure will be matched by recoveries from the 'Social and Infrastructure Development Fund' placed in the Public Account of India.

45. The contribution is for building up the corpus of the Guarantee Redemption Fund.