

[English]

**Loans to Government and Semi Government Employees for Purchase of Consumer Goods**

6364. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the State Bank of India has launched a scheme to provide loans to Government and Semi-Government employees for purchase of consumer and household items upto rupees twenty thousand ;

(b) if so, details in this regard ;

(c) the rate of interest chargeable ; and

(d) the number of instalments in which the loan amount is to be repaid and the manner in which it is to be recovered ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). State Bank of India have reported that they had introduced in Jamshedpur branch of the bank in 1987 a scheme for granting loan by way of overdrafts upto Rs. 20,000/- to eligible employees of TISCO for purchase of consumer durables of reputed makes. The advances granted are repayable in equated monthly instalments over a period of 30 months which carry an interest rate of 16.5% p.a. The monthly instalments are to be remitted by TISCO out of the salary of borrower—employees.

State Bank of India have further reported that they have since introduced a regular scheme for granting loans for purchase of consumer durables to clients at Metropolitan/Urban branches. Under the scheme, loans between Rs. 5,000/- and Rs. 1 lakh can be granted to eligible permanent Government employees and employees of public sector undertakings, Corporations and Private Sector Companies, Defence and Police personnel, reputed organisations, establishments as well as professionals and self-employed persons against hypothecation of the consumer durables of reputed makes to be purchased. The repayment period for loan above Rs. 10,000/- is based on the value of the assets to be purchased and the capacity of the buyer to repay the loan, the maximum

period allowed being 60 months normally. Loan repayable within 36 months carry an interest rate of 16.5% p.a. Loans exceeding 36 months classified as "term loans" are charged interest at 15% p.a. as per Reserve Bank of India's guidelines.

[Translation]

**Purchase of Mica from Mica Producers by MITCO**

6365. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether the regional management of the Mica Trading Corporation of India (MITCO), Jhoomri Tilaiya (Bihar) have acquired about 8 tonne of mica from mica traders which is lying in its godowns and the payment therefor has not been made so far ;

(b) whether financial conditions of dealers belonging to weaker sections can be saved from worsening due to the pending payments ; and

(c) if not, whether Government propose to streamline the purchase policy of MITCO ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) In anticipation of expected export order Mica Trading Corporation of India (MITCO) floated a trade circular against which Mica dealers have tendered 17.8 tonnes of mica condensed films in MITCO's premises for inspection and purchase. Since, expected order for this item of mica did not materialise, no purchase has been effected so far. As such no payment is pending against purchases made by MITCO from mica dealers.

(b) and (c). Do not arise.

[English]

**Financial Viability of Jaipur Udyog Limited**

6366. SHRI VIJAY KUMAR YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the Board for Industrial and Financial Reconstruction had asked the Industrial Reconstruction Bank of India to investigate the financial viability of Jaipur

Udyog Limited at Sawaimadhopur and Kanpur Jute Udyog, Kanpur ;

(b) if so, whether the IRBI has submitted its report ; and

(c) if so, the details thereof and reaction of Government thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). The Board for Industrial and Financial Reconstruction (BIFR) has reported that the Industrial Reconstruction Bank of India (IRBI) was appointed as operating agency in the case of Jaipur Udyog Limited under Section 17(3) of the Sick Industrial Companies (Special Provisions) Act, 1985. IRBI has since submitted a report to the BIFR. The matter stands before the BIFR for processing in accordance with the provisions of the Act.

#### Early Completion of Major Irrigation Projects

6367. SHRI G. BHOOPATHY : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether steps have been taken by Government for early completion of major irrigation projects not completed within the scheduled time ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). Irrigation projects are planned, funded and implemented by State Governments and they have been advised to prioritise the projects for optimal allocation of available resources and lay stress on completion of ongoing projects. The steps being taken by the Central Government include earmarking of outlays for identified projects, monitoring of progress of important projects, assistance to States for procuring adequate supply of scarce material and equipment, and arranging external assistance, wherever feasible to step up the resources.

[Translation]

#### Seizure of Information Concerning Banks' Private Depositors and Loanees by Police

6368. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to

state :

(a) whether provisions of the Public Financial Institution (obligation as to Fidelity and Secrecy) Act, 1983 also apply to nationalised banks and regional rural banks ;

(b) if so, whether under section 91/94 of Criminal Procedure Code, 1973 Police can demand or seize the documents and information concerning these banks' private depositors and loanees without any orders or warrants of a court or a Magistrate ;

(c) if not, whether Government propose to issue any directive to State Governments with a view to save various banks from the day-to-day harassment caused by police ; and

(d) if so, the conditions on which the information of accounts of private depositors and the duplicate copies of loan documents and accounts of loanees can be given to the police ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). The provisions of the Public Financial Institutions (Obligation as Fidelity and Secrecy) Act, 1983 do not apply to the Nationalised Banks and Regional Rural Banks, which are governed by the provisions contained in the Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970 and 1980 and the Regional Rural Banks Act, 1976 respectively. The aforesaid statutes provide that the banks shall not divulge any information related to or to the affairs of their constituents except in circumstances in which in accordance with law or practices and usages customary among bankers it is necessary or appropriate for the banks to divulge. Reserve Bank of India have reported that a police officer cannot demand production of documents or seizure of documents without issuing requisite order under Section 91 or obtaining search warrant under Section 94 of the Code of Criminal Procedure, 1973. In the event of banks being asked by the police authorities to produce documents/divulge information on the basis of orders issued under Section 91 or 94 of the Code of Criminal Procedure, 1973 or under the provisions of any other law, the banks would be statutorily required