

Bad and Doubtful Debts

2539. SHRI CHITTA BASU:

SHRI CHINMAYANAND SWAMI:

Will the Minister of FINANCE be pleased to state:

(a) whether public sector banks have made full provisions for all bad and doubtful debts; and

(b) the amount of debts considered bad and doubtful due from large, medium and small scale sectors, agriculture and trade, in case of each of the public sector bank and provisions held by banks for each sector as on March 31, 1994?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):
(a) Reserve Bank of India (RBI) has intimated that all the nationalised banks (except Punjab National Bank which has not yet finalised its balance sheet for the year ended 31.3.94) have made provision as per the prudential norms on provisioning prescribed by the RBI for the year ended 31 March, 1994.

(b) Information is being collected and will be laid on the Table of the House.

Alleged Fake Business

2540. SHRI V. SREENIVASA PRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the Life Insurance Corporation of India, North Central Zone has reduced the different Club memberships of some of the insurance agents on account of alleged fake business;

(b) whether the Life Insurance Corporation of India has taken any action against concerned officers responsible in this regard;

(c) if so, the details thereof and if not, the reasons therefor;

(d) whether the agents were motivated by the Life Insurance Corporation of India authorities to increase the business output in this manner;

(e) if so, the fact and details thereof; and

(f) the action taken against such officials and to support the agents?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a) No, Sir. LIC have reported that no case of fake business came to their knowledge.

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

(d) No, Sir.

(e) and (f). Do not arise.

Euro Bond Market

2541. SHRI RAJENDRA AGNIHOTRI: Will the Minister of FINANCE be pleased to state:

(a) whether an international seminar was organised on credit rating recently;

(b) if so, the main subjects discussed in the seminar;

(c) the decisions arrived at; and

(d) the names of the companies which will be allowed to tap the Euro Bond Market?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a) Yes, Sir. An International Seminar on Credit Rating was organised in New Delhi on August 30-31, 1994 by the Investment Information and Credit Rating Agency of India (ICRA) jointly with leading banks, investment institutions and financial service companies.

(b) The main subjects discussed were the quality and servicing ability of different types of corporate debts and rating of banks and financial institutions and of Euro issues.

(c) The Seminar facilitated interaction between ratings specialists and corporate issuers, investors and market intermediaries.

(d) Does not arise.

[Translation]

Subsidies

2542. SHRI SURENDRA PAL PATHAK: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are considering to stop all types of subsidies except those especially meant for the poor;

(b) if so, the details in this regard;

(c) the total amount of the additional burden which is likely to fall on the public, due to this stoppage; and

(d) the total subsidy stopped by the Government during the last two years and the areas in which it has been stopped?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a) No such proposal is under consideration of the Government.

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

(d) The trend of various subsidies borne by the Government over the years is given in the table - at Annexure 3.1 of the document Expenditure Budget 1994-95 Vol. 1 which was presented to Parliament alongwith the Budget.

[English]

Funding of Corporate Houses by Foreign Banks

2543. SHRI RAM NAIK: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received any representation from the Indian Banks' Association on corporate houses being funded by foreign banks through commercial papers;

(b) if so, the details thereof;

(c) the action taken thereon;

(d) whether some foreign banks defaulted on their cash reserve ratio (CRR) and statutory Liquidity Ratio (SLR) levels with the Reserve Bank during the month of September, 1994;