

### 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;

(e) if so, the names of these banks and the defaulted amount under CRR & SLR respectively, bank-wise;

(f) the action taken by the Reserve Bank against these defaulting Banks?

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

(a) No, sir.

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

(d) to (f). Reserve Bank of India (RBI) has intimated that one of the foreign banks (American Express Bank) had defaulted in the maintenance of Cash Reserve Ratio (CRR) for the fortnight ended 16th September, 1994, as per details given below:

(i) CRR required to be maintained	Rs. 3,88,24,64,170
(ii) CRR actually maintained	Rs. 2,79,39,83,000
(iii) Shortfall in the maintenance of CRR	Rs. 1,08,84,81,170

RBI has further reported that interest due on eligible CRR balance for the fortnight in question has not been released to the concerned bank.

As regards the maintenance of Statutory Liquidity Ratio (SLR), RBI has intimated that none of the foreign banks had defaulted during the month of September, 1994

#### Production of Textiles

2544. SHRI SYED SHAHABUDIN: Will the Minister of TEXTILES be pleased to state:

(a) the estimated production of textiles of all fibres or mixes during the 1994-95;

(b) the break-up by mill, powerloom and handloom sectors;

(c) whether any major variation is anticipated as compared to 1993-94 in the output of various sub-sectors; and

(d) the total subsidy to the handloom sector during 1993-94 and estimated production for the current year?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY) : (a) The anticipated production of cloth of all cloth of all fibres during 1994-95 has been estimated at 28,155 Million sq. metres.

(b) The break-up of estimated cloth production during 1994-95 is as under:—

Year	Sector	Production of fabric (Mn. Sq. metres)
1994-95	Mill	1875
	Handloom	5750
	Powerloom	20,100
	Wool, Silk, Khadi	430
		28,155

(c) At this stage no major variation is anticipated in the pattern of sector-wise cloth production as compared to 1993-94.

(d) An amount of Rs. 124.18 crores has been released

in 1993-94 to various states as Janata Subsidy. The estimated production for the handloom sector in the current year is 5750 million sq. metres.

#### Chits and Finance Companies

2545. SHRI DHARMABHAKSHAM: Will the Minister of FINANCE be pleased to state:

(a) the number of registered Chit and Finance Companies in Andhra Pradesh under Bank Guarantee; and

(b) the number of financial companies that are declared insolvent or wound up?

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

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

#### Unapplied Interest

2546. SHRI CHINMAYANAND SWAMI:  
SHRI CHITTA BASU:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government and or RBI has directed banks not to debit interest to the loan accounts which are classified as non-performing assets;

(b) if so, the method followed for bringing into account the liability of borrowers in respect of unapplied interest; and

(c) the amount of interest due but not taken into account by each of the Public Sector banks during the last three years?

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

(a) to (c). The information is being collected and will be laid on the Table of the House.

#### Recovery of Over-Dues

2547. SHRI ARJUN CHARAN SETHI: Will the Minister of FINANCE be pleased to state:

(a) whether some nationalised banks in Balasore district of Orissa have not been finalising even I.R.D. loans to the Scheduled Castes/Scheduled Tribes in the name of less recovery of over dues by these banks;

(b) if so, the details of the overdues, bank-wise; and

(c) the action taken by the Government to help the applicants to get loans?

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

(a) and (b). The information is being collected and will be laid on the Table of the House to the extent available.

(c) Reserve Bank of India (RBI) has advised to all the Indian Scheduled commercial banks vide its circular dated 22-2-1994 to issues suitable instructions to their branches/offices and gear up the bank machinery to ensure that no slippage takes place in extending loans under the Integrated Rural Development Programme (IRDP) which is an important national programme for poverty alleviation.