

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2897
ANSWERED ON:17.12.2004
CO OPERATIVE BANKS ADVANCES TO STOCK BROKERS
Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba

Will the Minister of FINANCE be pleased to state:

- (a) whether Co-operative Banks were prohibited from extending any advances to stock brokers;
- (b) whether the Government has received complaints regarding violation of guidelines issued by the Reserve Bank of India for grant of credit facility to share/stock broker;
- (c) if so, the details thereof;
- (d) the number of co-operative Banks become sick due to the irregularities committed by the management of these banks by the way of investing money in stock market; and
- (e) the action taken by the Government on the matter and to save the interest of small investors ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMAMCKAM)

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