

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1717

ANSWERED ON:23.03.2012

LOSSES OF BANKS

Singh Shri Rajiv Ranjan (Lalan);Vardhan Shri Harsh

Will the Minister of FINANCE be pleased to state:

(a) whether the public sector banks have suffered losses on account of the Supreme Court's decision of canceling 122 licences of telecom companies in the country;

(b) if so, the details thereof;

(c) the details of the loans disbursed by the PSBs to the telecom companies including the ones whose licenses have been cancelled by the Supreme Court as on date, company-wise; and

(d) the steps taken / being taken by the Government to protect the banks from such losses?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) & (b): The cancelled licenses represent certain circle / areas only. Most of the loan accounts were regular as on 1st February, 2012 and by and large secured in the form of various tangible and other securities. Therefore, the cancellation of licenses does not have any material impact on Public Sector Banks (PSBs).

(c): The company-wise details of loans sanctioned by PSBs to the telecom companies are given as under:-

(Rs. In crore)

Sl.No.	Name of the Company	Total Sanctioned Limit
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1.	Videocon Telecommunications Limited	3,220.00
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2	Tata Teleservices (Maharashtra) Ltd.	962.45
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3	TATA Teleservices Ltd	4,146.62
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4	Sistema Shyam Telecom	500.00
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5	IDEA Cellular Ltd	6,664.20
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6	Videocon Telecommunications Limited (Datacom Solutions Limited)	1,050.00
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7	S Tel Private Limited	798.00
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8	Etisalat DB Telecom (Swan Telecom)	587.97
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9 Alliance Infratech Ltd., 642.00

Total 18,571.24

(d) : The Government is closely monitoring the financial impact of the order of Hon'ble Supreme Court on banking sector in general and PSBs in particular.