

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4854

ANSWERED ON:07.08.2009

SBI LOANS FOR BHARTI MTN AND KINGFISHER AIRLINES

Majhi Shri Pradeep Kumar; Ray Shri Rudramadhab

Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India (SBI) has been approached by Bharti -MTN and Kingfisher for loan of huge amounts during the recent time;

(b) if so, the details thereof and conditions set in this regard;

(c) whether SBI has sought the opinion of Security and Exchange Board of India (SEBI) in this regard; and

(d) if so, the details thereof and reaction of SEBI / Government thereon?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b): Kingfisher Airline had requested the State Bank of India (SBI) for a loan of Rs. 1,000 crore. Bharti Airtel Limited (BAL) has approached the SBI for loans of US \$ 1 billion and Rs.5,000 crore. Though, the Bank has sanctioned a loan of Rs.500 crore to the Kingfisher Airline on the specified terms and conditions, the details of loans to BAL have not been finalized by the Bank.

(c) & (d): SBI is not required to seek opinion of the Securities and Exchange Board of India for granting loans to such entities. Any regulatory or other clearance is required to be obtained by the borrowers themselves.